



EDUCATING  
**ASEAN**  
**SOCIETIES**  
FOR INTEGRITY

The Role of Educators & Students in Building Integrity

The Role of Educators  
& Students in Building  
**INTEGRITY**

Editor

Prof. dr. Agus Suwandono, MHP.Dr.PH

Prof. Dr. Sukron Kamil

Pheni Chalid, SE., MA., PhD.

Dr. Irwansyah, MA.

Dr. Jamin Ginting, SH., MH.

Ries Wulandari, M.Si

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INTEGRITY  
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UNIVERSITAS  
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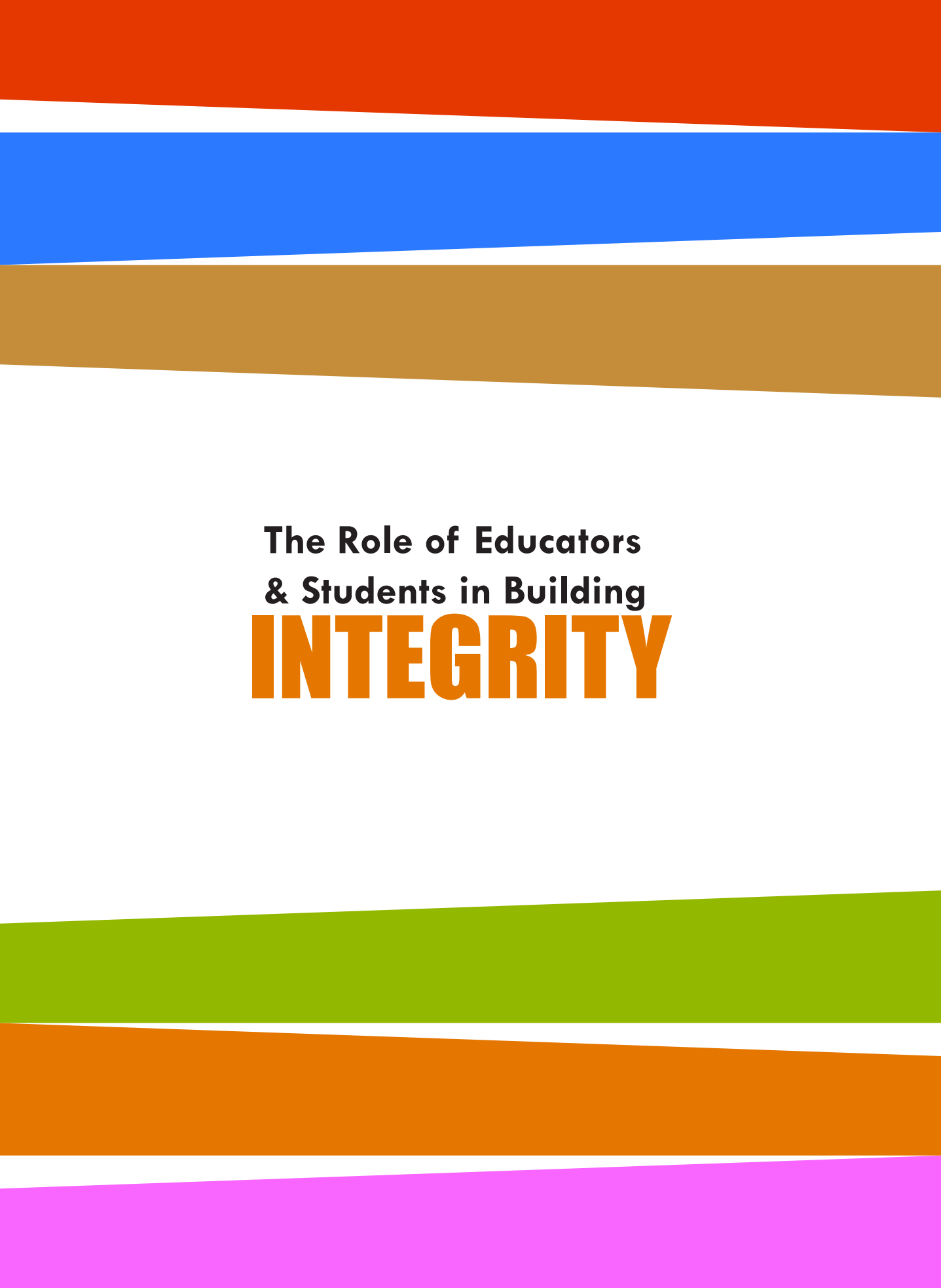
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# Foreword

Corruption affects almost every aspects of human life. It's domino effect widespread on the existence of the nation and the state especially exacerbate the nation's economic condition. Corruption is not a form of ordinary crime because it was damaging the joints of life's most basic social ethic that even humanity.

The main factor triggering corruption is the internal aspect comes from the private consists of moral aspects, such as lack of faith, honesty, shame, attitudes or behavior of consumption and social life as a family that can drive a person to behave corrupt. While there are external factors that can be traced from the economic aspect. Such as income or salary is not sufficient, political instability, political interests, power, lack of accountability and transparency, and weak law enforcement and social aspects of the environment or the people who do not support anti-corruption behavior.

Therefore anti-corruption behavior cultivations can be done through integrity and anti-corruption education. The ASEAN Seminar & Conference: Education ASEAN Societies for Integrity, we hope can make higher education plays a great role in introducing Integrity Education. By collaboration of universities might also positively provide better impact to ASEAN Integrity for Integration.

This proceeding consist of best papers/case study from ASEAN countries by 6 (six) following topics, Integrity and Law Enforcement in Corruption Case; Integrity through Religion-Based Education; Integrity and Public Health System and Management; Integrity in Governing Public Administration; Integrity and Doing Business while Keeping ASEAN Community Green; and Integrity and Ethical Issues in Communication Media.

Through the work of academics this dish may be developed various approaches to educational integrity that enables packaged varied and the manner in which to consider important aspects in education. Hopefully publishing this proceeding could be part of efforts to prevent and eradicate corruption in Indonesia and the ASEAN regions.

Director of Puskomdis

Dr. Heri Budianto, M.Si.

April 2003

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# Introduction

Problems of corruption and the lack of integrity have existed probably since human beings have existed. Yet countries around the world have begun to face these problems only very recently. From the mid-1980s to the mid-1990s, the taboo not to talk about corruption was finally broken, and it became clear that governance reform was needed around the world. In the following decade, international standards related to policies and ethical codes were developed. From 2003, the focus turned to enforcement and implementation of anti-corruption activities. Thus, it is only for the last 2 years that the word 'integrity' has taken on the form of a new approach to controlling for and reducing corruption. It is a new approach that promotes all the characteristics of human behavior that demonstrate accountability for one's actions, competence in one's profession or vocation and ethical values, without corruption.

But how do people learn about and adopt such an approach, especially when the environment is rife with mismanagement, corruption and a lack of an ethical compass? How do they begin to recognize not only the damage that is caused in such a context, but the benefits of living and working with integrity? How do they begin to realize that progress could have been made in national development, or that the number of poor families could have been reduced, or that public services could have reached all those who needed them, were it not for the many instances of improper use of public resources?

That's where education steps in. It must fill in and play a role in the education of future leaders who did not grow up in an environment of integrity.

The academics whose papers are presented in this collection cover a wide range of topics that all relate to one or more aspects of integrity or anti-corruption. Whether it's Law or Religion, Public Administration or Public Health, Business or Communications...the integrity specialised topics provide a plethora of material to study, discuss, learn, and incorporate into our own lives, and the lives of their students.

The papers demonstrate the value of research, especially in a relatively new discipline, where access to data and evidence is limited. The diversity of research topics and fields of endeavour will provide valuable material for students, other academics and practitioners in the field.

These papers were submitted for presentation and subsequent publication as part of the ASEAN Conference, held in Jakarta in early April 2013, with academics (and students) from all ASEAN countries. The fact that research and practical projects are being conducted and implemented in these countries is a sign that many in Southeast Asia are ready to face their integrity challenges for the betterment of their states.

I applaud them on their work, and encourage them to continue with their research and teaching. Without the formal teaching of integrity education – supported by research - young people may miss the opportunity to acquire the attitudes, values, knowledge, skills and behaviours that will strengthen governance in their countries, increase transparency and accountability and build personal and professional integrity for a brighter future for their societies.

Ellen Goldberg  
April 2013



# BUSINESS CHAPTER ETHICS



B U S I N E S S E T H I C S :  
E T H I C S A N D S U S T A I N A B L E  
D E V E L O P M E N T T H R O U G H E D U C A T I O N

# Ethics-Based Learning in Business School: Necessary but not Sufficient?

Arief Prima Johan  
M. Ma'ruf  
Niki Lukviarman

## Abstract

*Ethics scandals that occurred in business practices raises question on the importance of ethics-based learning in business learning/education, particularly within the context of higher education (business schools) that responsible to create future business leaders and professionals. The paper posits that teaching business ethics only as a course unit in business school is necessary but not sufficient. Sufficiency comes from ethics-based learning through embedding ethical values in any part of major business unit courses, such as functional management (i.e. marketing, finance, production/operation, human resources). As a corollary, the paper will reviewed the importance of ethics-based learning in every business course via instituting and integrating ethics-based learning from the holistic point of view. Several theoretical perspectives will be considered as the foundation to discuss such issues. For instance, traits theory argues ethics as a dimension of trait that hardly changed and relatively stable when someone reach his/her maturity. On the other hand, cognitive moral development theory (the psychological perspective) and learning theory (the behavioural perspective) posits ethics as one of fundamental cognitive and social behaviour that can be further developed and acculturated. It may be argued that the embedded ethics-based learning via business schools curricula and its supporting methods could improve business student's insights on ethical practices. Conclusion and policy recommendation will be presented at the end of paper.*

**Keywords:** *Ethics, Higher Education, Business School, Ethics-based Learning, Cognitive Moral Development*



## 1. Introduction

Ethics scandal that occurred in today phenomena (e.g. gratification, corruption, cheating, sexual harassment), especially in business practice corroborate the need for embedding fundamentally ethical principle. Moreover, it is important to the young generation and the students who will be future practitioners in business world. It is higher education responsibility as one of educational institution to ensure the next generation has proper moral principle which based on good ethical values (Sims & Felton, 2006). The insistence has been emerged from institution and society to correctly integrate ethical course into higher education curriculum.

This pressure need to respond comprehensively and strategically by higher education. It need a clear design to ensure the respond solve the problem correctly. It also needs to assure that institutionalization of ethics learning does not ended as political commodity or just simply lip rouge. Few following questions need to emphasize before further decision to institutionalize ethics learning into organization (i.e. Higher Education Institution). First, is ethical learning importance and could it be learned? Second, if it could be taught, are there some method could be used to teach. Finally, what role should be implemented by lecturer and institution to taught ethic effectively?

## 2. Several perspective about ethic learning

Result on ethical research is not convincing, especially on learning method and institutionalization those methods to institutions (Hooker, 2004). Moreover, there are several popular sceptical argumentations that dominate ethical learning issue. For instance, popular argumentation from Milton Friedman (1970) argues that ethical responsible of business people is to maximize their company profit. Therefore, business people should learn functional course of business. Friedman suggest it is just wasting time for business people to learn and think about ethical issue. He underline his opposition against learning of ethic by suggest that

“the nature of business is business”.

There are two reasons why ethical considerations are not the matter of business institution (Friedman, 1970). Business institution and business people is not qualified and have no right to perform activities for social purpose (Friedman, 1970; Hooker, 2004). It is not qualified because business people expertise in making money, nor to create and promote social policy (Hooker, 2004). They also have no right to spend principal money to the social program which violates the basic concept of agency condition. Principal hire the agent to expect high return from their investment as soon as possible, instead wealth of society which directly resulted from their money (Hooker, 2004). Wealth of society will increase indirectly as consequences of business activity from provide work for society and low price from competition (Friedman, 1970).

Friedman (1970) was considering the propriety aspect in making a business decision. He suggests maintaining propriety just needs roles play regulated formally which action is allowed or not. Hence, beside the obligation to learn about functional area of business, practitioners also need to study business law.

Argumentation from Friedman sound too sceptical and presumption toward certain condition, it is too straight forward. He ignored the incomplete of legal system and occurred of opportunistic behaviour. Law tend to order and separate which standard behaviour is right and wrong, while ethic have no formal consensus which value behaviour in propriety way or not. This propriety often derived from culture in which each environment has different culture and in turn have different ethical propriety standard. Since behaviour is ordered from standard right or wrong in law perspective, there is an ethical gaps occurred between the right behaviour according to the law and appropriate behaviour according to ethic.

Opportunistic behaviour perspective could explain clearer how straight forward and unpractical Friedman’s argument is. Opportunistic behaviour is an action to taking self advantage from certain situation with little consideration about proprietary and appropriateness (i.e. often ignored ethical consideration). If it is not

always, the advantage that took from these situations tend to harm others. This is not always unlawful behaviour, for instead a manager manages corporate profit to increase their power against principal. Many example of scandal that occurred in business world such as Enron phenomenon, gratification to government official, and corruption prove that opportunistic behaviour even push people to behave inappropriate in formally ordered (i.e. by law) situation. It can be said that the existence of law is not guarantee people to behave ethically or ensure that every people will abiding those law because opportunistic behaviour is presence in human attitude.

These argument supported by Uhlig and Howes (1967) work. Their social experiment on cheating behaviour in high and low control and rules. Results suggest that third students from the class do cheating in low control (i.e. opportunistic situation). Even in tightly control situation, a few students still cheating. Opportunistic behaviour is also occurred in profit management research. Managers tend to exploit asymmetric information they have to increase their bargaining position toward shareholders (Sun & Rath, 2008).

*Proposition 1: opportunistic behaviour tends to lead unethical action even in strictly ordered circumstance. Therefore, business ethic should be learned in order to reduce the effect of opportunistic behaviour.*

Hooker (2004) cites from moral development perspective which suggest that ethical value is develop in childhood, and it is too late to develop or change these values when people has been studied in business schools. It is implied that ethics as one of human characteristics that could not develop or change after maturity. People tend to bring their learning result from childhood as part of their mature character that hardly to change (Sims & Felton, 2006; Miller, Burke, & Glick, 1998; Chattopadhyay, Glick, Miller, & Huber, 1999). They argue that learning in mature age is believed if not always, could not change people character. Generally these arguments conclude that foundation of people behaviour that derived from his or her characteristics is also hard to change.

Many researchers agreed that personality such as value,

attitude, and personality hardly to change because it has been embedded and build simultaneously along with experience in a long time period (Miller et al., 1998; Chatopadyay *et al.*, 2000; Weber, 2007). Essentially, characteristics is build and develop, not a given things or came by itself. Basic of cognitive moral development theory suggest that people characteristics are interaction of experience, education, and maturity (Kohlberg, 1969 in Weber, 2007). Hence, the sceptical conclusion about ethics learning from moral development in Hooker's paper is not derived from complete critical analysis and nor completely right. Although the characteristics is hardly to change in maturity age but it is still possible to do. Moreover, basic theory of cognitive moral development argues that education could develop and change characteristics of person. Some research from learning perspective have supported these argument that attitude, as a reflection of ethical value, could change in certain situation (Ajzen & Fishbein, 1977; Gawronski & Bodenhausen, 2006; Webster, Chan, Prosses, & Watkins, 2009).

Learning theory is also counter these perspective. This theory suggests that learning process could change the foundation of people behaviour (Bandura, 1977) . As long as the condition of learning support targeted behaviour and perform continuously, the behaviour will change. One important aspect to successful learning is conditioning the environment accordance with learning objective. It will change people behaviours through habituation that lead to acculturated behaviour into people mind. New behaviour that came from learning process can be say as new core value that occurred from habituation and acculturation of these targeted behaviour.

Leadership theory in transformational leadership style can use to arguing the sceptical argument about ethics learning. Bass (1997) proposed the essential of transformation process as efforts to change or transform subordinate's behaviour into certain behaviour that expected by organization. This transformation is interaction of intellectual stimuli, personal consideration, and environmental conditioning by leaders. Although there was a lack of evidence shown that subordinate behaviour was changed, but many researchers who

find out the positive effects of transformational leadership style in employee's performance is an indication that behaviour is changed (Bass, 1997; Barling, Slater, & Kelloway, 2000; Xenikou & Simosi, 2006).

Based on two perspective explained in previous discussion, it suggest that ethics behaviour, even core ethics value could be modified, developed, and changed. It also need to be understand that changing ethical characteristics of person is not easy effort. It need certain situation, specific targeted behaviour and manipulating the environment of learning. Most importance is these approaches should implement interactively and consistently over time until the expected behaviour occurred from person (Bandura, 1977). Since, the lecturer have role to lead students and have capability to create and manipulate certain situation in the class to support learning of ethics. Therefore, we argue that ethics learning can be done and could implement in higher education.

*Proposition 2: ethical learning can be done and have optimistic possibility to success.*

Traditional in class ethic teaching is sufficient to teach student about ethical knowledge. It can be used to deliver concepts about ethic, considering the concept with culture, sharing information about certain ethical issue, and discuss ethical dilemma in business world. However, this approach is not sufficient in order to embedding ethical value into students character. Especially if the teaching objective is to change students characteristics and value system.

Changing personal characteristic and value system need certain condition and continuous learning until specific behaviour that expected occurred (Bandura, 1977). Besides, it also need inspiring condition to ensure these values have been got from learning process is understood and embedding into personal characteristics. For instead, integrating some practical case using ethic perspective, give an example of inspiring ethical behaviour, formulate several rules in class according to ethical principle (e.g. cheating consequences), and reward some ethics behaviour.

In order to make these appropriate condition for ethic learning,

ethical consideration should incorporate in every course unit, at least in each of functional courses (i.e. marketing, finance, human resources, and operational). It is useful approach to give added perspective on certain course topic and could use as habituation that acculturated to students thinking when facing real business phenomena. Inuring to consider is more perspective, especially ethical perspective increase spectrum of personal cognitive moral development (Weber, 2007). People with higher cognitive moral development associate with higher ethical value that came from more consideration beside his/her egoistic self interest in making decisions (Weber, 2007).

Business ethics course also does not sufficient to prepare students facing ethical dilemma in real business world. Actually, every decision in business practice consist of many ethical dilemma (Sims & Felton, 2006). Especially in major function of business such as marketing, finance, human resources, and operational. It is need to be understood that ethic is not separated issue in business, but it is integrating with every business process. Consequently, business learning should be incorporated in every course in business study and seen as integral issue that could not separate from business learning. At least, ethical consideration should include in each course of major business functional (i.e. marketing, finance, human resource, and operational)

*Proposition 3: Business ethics as course unit is necessary but it is not sufficient in order to embedding ethical values. Sufficiency comes from ethics-based learning through embedding ethical values in any part of major business unit courses(i.e. marketing, finance, human resource, and operational).*

### **3. Methods for ethics learning**

There are many method have been proposed by researcher in order to teaching ethic in business schools. McDonald (2007) said that method of teaching business ethic have been explored in descriptive, perspective, and analytical perspectives. Many business

schools also do the same (Sims & Felton, 2006). For instead, the Haas school of business at University of California at Berkeley has its students learn from mistakes of convicted white-collar criminals by actively interacting and discussing with them (Sims & Felton, 2006).

Felton and Sim (2005) proposed a targeted outputs method in ethics learning. This method is using a traditionally formal class. Rather than proposing a specific technique on teaching method, Felton and Sim (2005) suggest that a lecturer look over specific targeted outputs they hope to reach by students on the first step. They argue, often teaching of ethics is not seen to have specific outputs. Hereafter, a lecturer can think about his or her teaching technique, syllabus, rules, assessments, and evaluation of students and matching it with the specific targeted output.

Felton and Sim (2005) suggest that specific targeted outputs of learning must cover at least three learning objectives: learning should focus on developing knowledge based on students' theoretical understanding of ethical concepts. An objective should focus on analyzing issues facing business practice in real business situations. The last objective should focus on the concept and practice of ethics equally. They also suggest that it is important to align with cultural context because it can separate between ethical and unethical behaviour.

Sim and Felton (2006) proposed an active learning method using an inductive technique. They suggest ethics learning should be based on experience and the value system of the student. That is why an inductive approach should be applied. This method requires open and trustful discussion in the class. One of the objectives from this method is that learning outcomes can be embedded longer in students' minds and character. Moreover, they could challenge, review, and even change their value system or core ethics principles that are unexamined.

To implement this approach, teachers should ensure that appropriate conditions of learning to support the goals and expected outcomes occur (Sims & Felton, 2006). Both lecturers and students must create an open and comfortable environment to discuss. It is important to ensure students feel disposed to share their ethical experiences and opinions to the entire class.



## 4. Role of lecturer in ethics learning

Lecturer have significant role in learning processes both in delivering the knowledge and develop or change student's behaviour. Especially in ethics learning, lecturer has more significant and responsible roles in order to embedding ethics value and shaping students behaviour. This work is more difficult and challenging than ordinary knowledge transfer from lecturer to students. Several roles should be done by lecturer; they are not only as lecturer but also educator. Lecturer becomes a conditional maker to manipulate learning environment, delivering deeply understandable knowledge, and being ethical manager to organize learning process.

### 4.1. Role as an educator

Being an educator is not only about delivering the knowledge, but also create a proper habit, behaviour, and skills. Especially in learning process, educator should use inspire and transformative process to ensure the objective of learning is deeply embedded in student character. As a term, teach or teacher and educate or education have different meaning. Teach refer to giving a guideline or knowledge to be known, make people understand about the knowledge or information that delivered by teacher. Meanwhile, educate refer to maintain, practice, and give insight about morality and mind. Its implied that educate has broaden meaning than ordinary teach. Work of an educator is to change attitude and behaviour of students in order to increasing the maturity.

Realizing the ethics study is process of learning, the lecturer (educator) should take into account the expected behaviour of the output of learning. Syllabus, course work, material, technique, assessment should refer to the objective. The most importance of being educators is incorporating the ethical value into knowledge that delivered. Good educators expected to know the students and how they learn, know the content of knowledge and how to teach it, make plan and implement the effective teaching and learning, create and maintain supportive and safe learning environment, assess,



provide feedback and report on student learning (Sims & Felton, 2006; Celik, 2011).

As considered in early article, ethic course should integrate with other course work. Hence, that approach should not only apply in business ethic course, but also in each course of business study. At least in every functional course, beside making specific objective about their primary course, lecturer need to include ethical objective of student's thought and behaviour. The syllabus, condition, material, rules, and assessment have to include the ethical value and consideration.

#### *4.2. Role as conditioning makers*

The important thing in successful learning is appropriate condition to support the process and goal achievement (Bandura, 1977). It is lecturer job and responsible to maintain that condition over time. Lecturer should maintain suitable condition to employ active learning. Students need comfort condition to ensure they can and willing to discuss and share their ethical dilemma openly with entire class.

Sims and Felton (2006) suggest few condition to support ethic learning. Learning environment should be based on a psychological contract of reciprocity. It mean that mutual and balance of getting and giving in the class interaction. Traditionally, student often just get and lecturer often just give. Getting is expected condition that should be occurred in learning process (Sims & Felton, 2006).

Lecturer need to ensure that condition of learning should emphasize the personal experience of both lecturer and students. Since learning process is build upon both getting and giving, the process need to mutually interaction between lecturer and students about their knowledge and experience on ethical issue. The process also needs responsibility for the learning of other. It implied that students have to realize that their present and involvement on discussion is part of learning of others.

### *4.3. Role as knowledge deliver*

Lecturer need to be expert on his or her primary course and have insight understanding about the concept of ethics. Good competencies on both primary course and ethical concept can assure the knowledge that delivers to the students is incorporate with ethics consideration appropriately. It also ensures the contextual condition such as culture, law, and regulation that blend and integrate with the theoretical concept of primary course and ethics. As note before, ethical value cannot separate from cultural value. Both ethic and culture is mutual support each other.

As knowledge deliver, lecturer responsible to help students understands their core value, either conceptually or contextually (Sims & Felton, 2006). Students need to understand their core ethical value, so it could be internalized into their thinking. Ethical value which deeply embedded in students thinking is incorporate with their value system and bounded rationality in turn drive the action or decision they chooses (Finkelstein, Hambrick, & Cannella, 2009).

Lecturer is also responsible to challenge students to thinking over about their ethical value. Since ethical value of student absorbed from other and formed from childhood environment, family, peers and early education that value is remain unexamined (Sims & Felton, 2006). Sim and Felton (2006) argue often these values have not been critically questioned and analyzed. When the ethical value does not align with contextual condition or even with conceptual, its best review and have bigger probability to change if student thinking over her/his ethical value by his or himself.

### *Role as ethics manager*

Considerate that ethics is build upon learning process with emphasize through certain habit or manners, lecturer have to assure ethical behaviour occurred in the class. It also should be over time and consistent condition. Both lecturer and student should shown down behave ethically either in the

class or outside class. It is important to make sure student's opinion toward their lecturer capability not only teaching them about knowledge or ethics knowledge but also as role model in ethical behaviour.

Being ethics managers means that lecturer also plan certain standard of ethical behaviour that could be accepted. It should communicate and implement to the entire class include lecturer itself. That standard used as attitude and behaviour contract between each other in the class. So that, lecturer is not only using power to lead as a leader, but also authority as manager to make sure that contract is obeyed.

Lecturer should control those contract implement fairly among the students and himself. Central control should be on the lecturer but it has to communicate clearly about the consequent to whoever disobeyed the contract. It also means the consequences for lecturer himself if he violet that contract. Finally, lecturer needs to evaluate the ethical behaviour of students. He needs to give reward to good and ethics behaviour, and punish the bad and it is not ethics behaviour. One of procedure could be applied is give a score to the students behaviour objectively based on their obedience toward contract of ethical behaviour.

## **5. Institutional role in embedding ethics learning**

Many researchers (Hoffman & Moore, 1982; Hartog & Frame, 2004; Weber, 2007; McDonald, 2004) use curricula approach to incorporate ethics teaching in institution. By teaching ethics separately, knowledge about ethics concept and practical issue could explore and deliver more effectively and provide deeper understanding. This approach could be more effective because of it has grater focused than just considerate ethics issue superficially in other course. By teaching ethics separately from other course, cultural fit with core ethical value which teaches could be more suitable.

Since ethic issue is incorporate with almost every business decision, the approaches to teach ethic in separate course unit is not sufficient. Each course has contextual issue in ethic decision (Sims & Felton, 2006). For instead, operational management need to considerate healthy factory environment for the worker; while human resources course should considerate fairness of compensation and benefit among worker. Sufficiency of ethic learning should come from deeply embedding ethical issue in every course in business curricula.

We suggest that institution should accommodate both approaches in their curricula. It needs to consider insight understanding about conceptual issue, cultural fit, and functional consideration in ethics. So that, both ethic course as separate course unit and deeply embedding ethic ethical issue in other course in business schools curricula need to be employed. It should not see as one is for support another, but should be understood as integrative approach which need equal accentuation and emphasis.

To ensure these two approaches implement successfully, institution need to encourage their faculty members to understand the knowledge about ethical concept. Embedding ethics issue as part of ethics learning in functional course require lecturer who deeply understand both his primary course and knowledge about ethics. It will be more effective if the lecturer on functional course also have insight about culture.

Higher education institution should give more emphasize and encourage their faculty members to do research in ethics area by provide more grant. This program can use to improve faculty expertise on ethics issue and make them more often interact with ethical issue. In so, more often the faculty interact with ethics issue, they will more sensitive and pay more attention about the issue. Still, the institution also needs to manipulate suitable condition to attract sharing between faculty members about ethics in formal and informal academic discussion.

Institution could use Sims and Felton (2005) and Felton and Sims (2006) suggestions to formulate curriculum with embedded

of ethical consideration. It needs to make specific targeted output from ethics learning program intuitively. Make standard condition to manipulate learning environment for both faculty and students. Integrating some relevant content to applied in both ethics course and functional course that need to embed with ethical considerations.

## 6. Conclusion

Business schools have responsibility toward occurring some of ethics scandal should be pay more attention to solve these problems. They should take seriously to teach young generation about business knowledge on ethical based. Many methods could be used to apply. But more importance is design of that method must be comprehensively and interactively to ensure embedded of learning output into students mind. Embedding ethic need to emphasize in each part of higher education institution and involved every civitas. •

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# Environmental Sustainability Issues: The Role and Contributions of HEIs

M. Ma'ruf  
Niki Lukviarman  
Arief Prima Johan

## Abstract

*UNESCO conference on environmental and society for education and public awareness in sustainability had conveyed a clear message that university curriculum should be holistically accommodate various issues related to environmental protection and sustainable development. As a corollary, this paper will discuss why and how higher educational institutions (HEIs) should contribute to promote the environmental sustainability issues. From the view of the university as an agent of change there will be a paradox when universities do not have a clear strategy and policy in environmental protection while many researches in environmental related issues are initiated and produced in these institutions. There exist an escalating pressure on higher education industry to become more market oriented and equipped themselves with strategies to fulfill varying demand of stakeholder in order to survive in a highly competitive environment. At the same time, the university as an agent of change is also expected to be socially responsible in performing their role within the society. Consequently, the university should have a clear strategy, policy and play an active role in the development and dissemination of research in environmental sustainability related issues. There is a growing trend among leading HEIs in the world to implement sustainable development practices, integrating such issues into their curriculum and in research agenda, as well as collaborating with stakeholders to deals with environmental sustainability issues. As such, the discussion of the paper will focus on how higher educational institutions in Indonesia deals with the environmental sustainability issues. Further, the discussion will also relates to the approach needed to determine how such an environmental issues are embedded to and in line with the Tri Dharma Perguruan Tinggi as a common university missions in Indonesia. Propositions will be presented to support the arguments, followed by the conclusion and policy recommendation.*

**Keywords:** *Environmental sustainability, HEIs, strategy, stakeholders, Tri Dharma Perguruan Tinggi*

## **1. Introduction**

### **1.1. Introduction to the topic**

The graduates of higher education will work in the public and private sectors and will be the perpetrators or actors in the various fields. In part they will be formulator and policy makers, including those related to environmental protection. It is argued that if these graduates were not exposed to education that promotes awareness about the importance of environmental protection, it is hard to expect what they do in the community will defending environmental sustainability. As agent of change, students in higher education should be involved in education and researches about this issue, where most of them are initiated. Thus, the mission of Higher Education Institutions (*HEIs*) should include preparing the future nation's leaders by practicing and educating the importance of environmental protection. This paper will further discuss how *HEIs* in Indonesia should contribute actively in environmental protection.

### **1.2. Objectives and structure of paper**

This paper aims to propose how *HEIs* in Indonesia should integrate the principles of environmental sustainability in their main mission: education, research and community service. Based on the above objectives, the discussion will focus on: (a) the importance of environmental protection as integral part of *HEIs* strategic planning, (b) the world trend in the role of higher education institution's role in promoting and educating environmental sustainability, and (c) Propose future development of educational framework for environmental sustainability in accordance to conditions of *HEIs* in Indonesia. This is conceptual paper and the following section will present discussion based on literature and case examples.

## **2. Literature Review**

### **2.1. Position of environmental sustainability in higher education system In Indonesia**

It is critical for *HEIs* in Indonesia to adopt strategy of



environmental protection if the goal to be the world class university is to be achieved. The fact shows that the long-term strategy of higher education 2003-2010 of Directorate General of Higher Education did not explicitly emphasize the importance of environmental protection. While strategic plan 2010-2014 mentioned one policy as follow:

*“meningkatkan kontribusi perguruan tinggi pada pembangunan masyarakat dan pencapaian MDGs”*

Although this policy mentions about MDGs but does not specifically supports environmental sustainability. This is certainly not in line with the trend in developed countries and the whole world, where more and more universities are becoming a major player in environmental protection. This strategy has been adopted by universities in the countries of Western Europe and North America, especially the top rank universities. In addition, it is a paradox if internally *HEIs* do not have a clear strategy and policy in a world-renowned issue of environmental protection while a lot of research originated from these institutions.

These facts have shown that environmental sustainability has not yet a priority in development of higher education in Indonesia. It is not surprise to see that this nation is full with cases of natural environmental destruction, from domestic waste up to massive deforestation especially with intellectual actors behind. Recognizing the critical of this issue, current paper is expected to awaken consciousness and “peck” all the elements of higher education including faculties, students as well as inputs for higher education, authorities such as the Directorate of Higher Education as the formulator of strategies and policies in the future.

## **2.2. Sustainable development, environmental protection and role of higher education**

The growing concern for environmental protection is the impact of increasing global public attention to the issue of climate change and the awareness of the importance of sustainable development. There are many definitions of sustainable development. Two of

them were mentioned as a striving for full integration of the natural, economic, and social systems in development (Mebratu, 1998) and as an attempt to combine attention to environmental issues with socio-economic issues (Hopwood, Mellor, & O'Brien, 2005).

While sustainable development is too broad to discuss in this paper, focuses of discussion is limited to sustainable environmentally sound development. The primacy of environmental issues in the discussion of sustainable development comes up to the surface because the crisis on the environment will be significant impact on the economy, politics, culture and humanity as a whole (Mebratu, 1998). After the Second World War, rapid development, industrialization and exploitation of natural resources has been very excessive and often ended with environmental damage. Not only that, but more broadly it also resulted in the emergence of social problems such as economic inequality, consumerism, discrimination, unemployment, and occupational safety and labor protection. This problem has prompted world leaders to recognize the importance of the utilization of the natural resources in a way that is wise and appropriate. Issue of environmental protection becomes very important and urgent because it is about the survival of humanity.

As one of the institutions that claim themselves as agent of change, *HEIs* are expected to become one of the leading players in maintaining environmental sustainability (Stephens, Hernandez, Román, Graham, & Scholz, 2008). With regard to the role as agents of change in sustainable development and environmental protection, *HEIs* are said to be in two different positions. First, they can be seen as requiring a change and second are considered as agents of change. This shows that there is demand for *HEIs* to advance themselves internally to make changes, including the inclusion of environmental protection into the vision, mission and strategy of the organization. Internally, change should be aimed to develop environmentally sustainable campus (Cole & Wright, 2003) as community that acts upon its local and global responsibilities to protect and enhance the health and well being of humans and ecosystems. In addition to internal change, campus should be actively engages the knowledge

of the university community to address the current ecological and social challenges. This means HEIs is on demand to develop, sustain, spread and development of the application of science to social change.

The responsibility of higher education in environmental protection efforts have been proclaimed since the Stockholm Declaration in 1972 where one of the principles stresses the importance of environmental education (T. A. Wright, 2002). After this declaration there has been a steady development of national and international sustainability declaration relevant to higher education (Table 1).

**Table 1. Chronology of some declaration related to sustainability in higher education**

Year	Declaration
1972	The Stockholm declaration on the human environment (UNESCO, 1972)
1977	Tblisi declaration (UNESCO-UNEP, 1977)
1990	The Talloires declaration (UNESCO, 1990)
1991	The Halifax declaration
1992	Report of the United Nations Conference and Development-Chapter 36: Promoting education, public awareness and training (UNESCO, 1992)
1993	Association of Commonwealth Universities, Swansea declaration (UNESCO, 1993)
1994	CRE Copernicus Charter
1997	International conference on environment and society-Education and public awareness for sustainability: Declaration of Thessaloniki (UNESCO, 1997)

**Sources: (T. A. Wright, 2002)**

Further development of HEIs roles and contributions to environmental sustainability was mentioned in Agenda 21. Agreement on the importance of higher education's role in

environmental protection was re-stated in Agenda 21, Rio de Janeiro in 1992. One of the principles in Agenda 21 is “reorienting education towards sustainable development and promoting environmental training among educators”. This role was strengthened with the UNESCO conference on environmental and society: education and public awareness for sustainability, 1997 where the message was stressing that the university curriculum should be holistically to accommodate issues related to environmental protection and sustainable development (A. Wright & Sharon, 2006). UNESCO Thessaloniki declaration illustrates the purpose of higher education is to develop *a more sensible, knowledgeable, ethical, responsible, critical and constantly learning human as a means to achieve sustainable development*.

Upon the existence of national and international agreements plus national policy from relevant government institutions e.g. Ministry of education, HEIs should decide how they will contribute to environmental sustainability. In general, there are four categories of how HEIs can contribute to social change for the development of sustainable development (Stephens et al., 2008). First, HEIs can be a model organization that applies the principles of sustainable development to the development of sustainable practices on campus. Second, integration of educational materials about sustainable development into curriculum to make students becomes more skilled with a variety of complex problems and challenges. Third, the development of research devoted to solving the real problems associated with sustainable development. Fourth, the development of cooperation with various external parties to make college as trans-disciplinary agents and integrated with the social problems of society.

Thus, developments of national and international agreements above have shown the importance and connection between sustainable development, environmental protection and role of *HEIs*. The next question is how HEIs in Indonesia should play their role and contribute to environmental sustainability based on national context.

### **2.3. Role and contribution of Indonesian HEIs in environmental sustainability**

Under the Higher Education Act of 2012 Article 1 point 9, it is explained that the *Tri Dharma Perguruan Tinggi* is the duty of universities to conduct education, research, and community service. Based on general duties, higher education in Indonesia should be organized by following the higher education strategic plan that has been set by the Directorate General of Higher Education (DGHE). This strategic plan would have to be a reference for each university in formulating their own strategic plans. Generally DGHE 2010-2014 strategic plan has not been explicitly included in the mission and goals to encourage HEIs become actors and drivers of development in favor of environmental protection. In the mean time, Ministry of Environment has launched a pilot project to develop green campus in five selected universities (Hidayat, 2013). Although environmental sustainability in higher education has not been a priority by Ministry of Education and Culture, this should not become a barrier for HEIs to start the first step to act. It is argued that the role and contribution should be integrated in strategic plan and the mission of *Tri Dharma Perguruan Tinggi* as mandated by the law.

Environmental protection efforts undertaken by an organization should be done with a holistic approach. This approach should begin with the strategic plan, in which the issue of environmental protection has been integrated in a systematic manner. The extent to which an organization has integrated environmental protection issues in the strategic plan can be assessed by internal and external orientation. Strategic planning is now a requirement for a good university, including the universities in Indonesia. Strategic plan if implemented properly will create a whole tremendous effect on the progress and transformation of higher education, as stated by Dooris, Kelley, and Trainer (2004).

The education sector is increasingly competitive than before where each university needs to formulate a strategy to compete and survive. The role of strategic planning is imperative to obtain funding from both public and private sources, and the most important thing

is to satisfy the needs of stakeholders. If a HEI wants to be competitive and survive, the strategic plan is one of the essential conditions to make it be more market oriented as mentioned by Conway, Mackay, & Yorke (1994). This strategy will help the organization to set their objectives and guide the implementation that will change or not change and achieve or not achieve the objectives (Dooris et al., 2004). This is even more important when it is connected to the university's response to the issue of environmental protection.

Analysis on the extent to which environmental protection has been adopted in the organization's strategic plan can be measured from the level of responsiveness to this issue. Responsiveness describes how sensitive an organization toward importance of environmental protection. Perceptions of organizational leadership will be a key to the level of sensitivity to the issue of environmental protection (Murillo-Luna, Garcés-Ayerbe, & Rivera-Torres, 2008). As stated by Henriques & Sadosky (1999), the level of responsiveness to environmental issues are grouped based reactive, defensive, accommodative and proactive strategy. Different approach proposed by Buysse and Verbeke (2003) that the level of responsiveness can belong to the reactive strategy, pollution prevention and environmental leadership. generally speaking, an assessment of the level of responsiveness in the analysis can be based on criteria of whether the organization has a plan on managing the environment, whether the plan is communicated to the entire organization, if there is a budget allocation, is there any preventive efforts in environmental protection, the certification, appointment of specialized staff and the reporting on environmental management. According to this theory, the range of responsiveness to the issue of environmental protection strategies can be categorized into reactive or proactive.

In order to ensure that strategies are well implemented, the actors and the plan executor should consider resources availability and potential obstacles. There are five potential obstacles to be anticipated in implementation of campus environmental sustainability (Dahle & Neumayer, 2001). First, low commitment and concern for green initiatives among administrators, staff and

students. Second, the lack of financial support and educational resources about environmental protection. Third, the organizational structure that does not support the development of green initiative. Fourth, the lack of expertise and lack of tradition of caring environment. Fifth, the lack of intensive and misperceptions towards sustainability. These barriers should be reviewed by the decision makers in formulating plans and prepare a strategy to address it.

Based on the discussion of the relationship between environmental protection issues and organizational strategy, it is apparent that that an organization should address this issue in a holistic and strategic approach. It shows the importance role of the leader as the party that will determine the direction of policy, particularly related to issues of environmental protection. In accordance with the above statement, this paper proposes that environmental protection issues should be integrated into the strategic plan of the organization and cover namely *Tri Dharma Perguruan Tinggi*. This integration should be adopted as a long term commitment and following the ladder from low-reactive-to highly integrated proactive.

#### **2.4. Integration of environmental sustainability in Tri Dharma Perguruan Tinggi**

Role and contribution of HEIs to environmental protection in the *HEIs* should be actualized through the missions of higher education as mentioned in *Tri Dharma Perguruan Tinggi*. The first mission of higher education is to conduct teaching and learning process. Environmental sustainability in teaching and learning process should be integrated in university curriculum, not only in specific major like biology or environmental engineering but also all majors both science and non sciences. Curriculum has been declared as one of the important factors in environmental protection (Reid & Petocz, 2006).

The objective of curriculum that integrate environmental sustainability is to foster environmental literacy (Thomas, 2004). To create the Environmental literacy then a few things need to

be incorporated such as environmental protection in existing courses, creating a special course on protection of the environment, integrating environmental protection issues in all subjects so that an understanding of these issues are spread across courses, programs and all lectures materials (Dyer, 1996).

This curriculum should ensure the awareness, attitude and behavior of lecturers and students that pro to environmental sustainability. There will be difficult to ensure significant contribution of HEIs when both lecturers and students ignore this issue in teaching and learning process (Shephard, 2010). As holistic approach, adoption of environmental sustainable curriculum should be developed as a broad framework that accommodate interdisciplinary curriculum or could be a university wide subject.

Curriculum development to accommodate environmental sustainability and protection may be regarded as a novelty, especially for high ranked universities in Indonesia. However, further investigation should be conducted to get information whether it has been part of the strategic planning and implementation at those universities.

Development of environmental sustainable curriculum should anticipate potential challenges and obstacles where the most difficult part is the implementation of the curriculum as stated by Thomas (2004). Challenges in the development of curriculum was related to faculty include: the lack of a culture that prioritizes environmental protection, poor organization and lack of resources that support faculty, as well as the lack of training for the teaching staff.

Based on the discussion of curriculum development that integrates environmental protection issues as well as its challenges, this study come up with proposition that the development of education in the universities environmental protection needs to be done with the development of the curriculum as the implementation of the strategic plan.

Conducting research is the second mission of higher education. Directorate General of Higher Education has allocated competitive funding for each university in Indonesia to conduct



research. However, the relevance and effect of these researches to development of sustainable campus and communities should be evaluated. As mentioned in the beginning of this paper, it will be paradox when many researches about environmental sustainability were originated from HEIs but internally these organizations do not embrace environmental sustainability values. Thus, HEI should integrate issue of environmental sustainability in the university research road map. In addition, incentive should be offered to researcher to conduct research about this issue. Another condition for contribution of research on environmental sustainability to internal of organization and communities in broader area is to disseminate and implement the research findings.

Dissemination and implementation of the research findings can be accommodated by the third mission of higher education which is to collaborate with stakeholders outside university in order to make real contribution to society. *HEIs* should play role as catalyst by involving different target groups e.g. schools, NGOs and industry to contribute to regional development which embrace environmental sustainable values. Each year, *HEIs* allocate funding for community service projects involving communities and stakeholders. Priority or incentive should be given the project that integrate environmental sustainability theme. This is should become priority of HEIs since Directorate General of Higher Education has already mentioned that one of the goals of community service is to transfer technology, science, and art to the community for the development of human dignity and the preservation of natural resources (DP2M, 2013, p. 2).

Based on conceptual perspective, integration of environmental sustainability into *Tri Dharma Perguruan Tinggi* is possible and potential to do. However, this proposition should be further investigated in real life situation.

### **3. Conclusion**

The goal of this paper is to enhance consideration for the potential for HEIs in Indonesia, in different sub-cultures and

contexts, to be change agents for sustainability. This wake up call is urgent because environmental protection was not found as priority in HEIs development in Indonesia. In fact, world society faces unprecedented and increasingly urgent challenges associated with accelerating environmental change, resource scarcity, increasing inequality and injustice, as well as rapid technological change, new opportunities for higher education are emerging.

In national level, government through ministry of education and culture should be more explicit and clearly include contribute to environmental sustainability as of mission and long term objective in development of higher education. In each of HEIs organization level, adoption of environmental sustainability should be conducted in a holistic approach. This should be strategically organization's value and mission. *Tri Dharma Perguruan Tinggi* should facilitate the implementation of HEIs mission to protect the environmental through curriculum, research and community services. •

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# Is it Ethical to Teach Ethics to the Computing Students?

Examples from an Institution of Higher Learning in Brunei Darussalam

Afzaal H. Seyal

Mohd Noah Abdul Rahman

## Abstract

*This study investigates the 180 computing students from an institution of higher learning in Brunei Darussalam in assessing their responses on the ethical persuasion quiz to evaluate the students' overall ethical knowhow and knowledge. The standard instrument covering seven statements on two dimensions of ethics were used that was classified into "plagiarism" and "fabricating evidences". The instrument also includes construct that measures the overall students' attitude toward ethics. The initial findings indicate that 41% of the students consider plagiarism as not bad activity and is ethical. On the other hand, 64% of the respondents consider the fabricating evidences under pre-defined condition as ethical which is in fact unethical. The figure is quite astonishing especially in a society where ethical values are much focused. Based on the data analysis, it is therefore strongly recommended that in the changing global environments of today, there is a strong need that subject of ethics be taught in the institution of higher learning in all discipline in general and to computing program area in particular independent of regular religious classes. In this regards, some strategies were recommended for the faculty members. Finally, some practical implications were discussed with a way out to carry out some measurements to bring a permanent change in students' unethical behavior.*

*Keywords: Ethical teaching/learning, computing students, higher learning institutions, Brunei Darussalam*

## 1. Introduction

Students in higher learning institutions are living in a world of 'uncertainty' with lots of upheavals, threats, issues and challenges and unrest brought in due to shift in economic social, and technological developments. This drives them towards various pressures that are changing not only their learning habits but also bringing a dynamic change to their behavior which is most of the time led by negative feelings. This negativity has further brought a shift in their mindset. Some of them have indulged in unethical and morally unacceptable behaviors while others indulge extremism, liberalism and more carefree behavior. These changes in society, coupled with rapid advancements in Information Technology, (IT) have empowered them digitally more than ever before. Computer technologies have penetrated all facets of our life in education, business and industry. However, these advances in IT without integrity and ethics are pushing people towards wane (gradually lose power or importance) and at the same time the opportunities for unethical use increase (Masrom *et.al*, 2010). Unethical activities will cause harm to individuals as well as to society. It is because of the nature of the subject that researchers started conducting studies. However, these studies were confined to the developed world and the developing world suffered an acute shortage of studies on ethics in general and computer ethics in particular. In addition, ethical studies focusing on the student population are scant. This will be addressed in detail in the following paragraphs. But firstly, we have to agree on the definition of term "ethics".

A business dictionary defines ethics "as the study of universal values such as the essential quality of all men and women, human or natural rights, obedience to the law of land, concern for health and safety and, increasingly, also for the natural environment" ([www.businessdictionary.com/defination/ethics.html](http://www.businessdictionary.com/defination/ethics.html)). Ethics is one of the five branches of philosophy that includes metaphysics, epistemology, ethics, politics and esthetics. "Ethics" is the branch of study concerned with what is the proper course of action for man. It answers the question, "What do I do?" It is the study of right and

wrong in human endeavors ([www.importanceofphilosophy.com/Ethics\\_Main.html](http://www.importanceofphilosophy.com/Ethics_Main.html)). In a broader sense it is the method by which we categorize our values and pursue them. Ethics is a requirement for human life. It is our means of deciding a course of action. Without it, our actions would be random and aimless. The term is important to our daily life as it gives guidelines for organizing our goals and actions and any flaw in our moral or ethical system will reduce the ability to be successful in our efforts. A strong ethical system in a society determines our relations to others, and recognizes their importance not only to our physical survival, but to our well-being and happiness.

Much research has been conducted on the ethical awareness and orientation displayed by students studying a range of subject disciplines (Freedman and Bartholemew, 1990; Small, 1992; Okleshen and Hoyt, 1996; Kaynama, King and Smith, 1996; Smith and Oakley, 1997; Stevens, 2001; Kracher, Chatterjee and Lundquist, 2002). Such research has enabled discussion on the necessary future levels of ethical training (Singh, 1989), the importance of organizational socialization, and the value of tools, such as codes of ethics as a way to ensure consistent standards of professionalism (Cleek and Leonard, 1998).

However, while studies have examined the ethical orientation of students in several other disciplines, the studies among computing students are few and are diverse in nature and approach. In addition, teaching ethics is a multi-dimensional framework that involves not only teaching ethics to the students but teaching computer/ICT related ethics to the computing students. Studies in computer ethics define the ethics regarding the use of the computer and IT activities by and large. Computer ethics are guidelines for the morally acceptable use of computers in our society and covers four primary ethical issues related to the use of computer that includes; privacy, accuracy, property and access. Most professions in general and the computing profession, in particular, have codes of ethics or ethical guidelines, and general principles by which the people in a given profession are expected to behave. The computer societies

such as British Computer Society (BCS) ([www.bcs.org](http://www.bcs.org)), Association of Computing Machinery (ACM) ([www.acm.org](http://www.acm.org)), and Australian Computing Society ([www.acs.org.au](http://www.acs.org.au)) are internationally recognized organizations that provide the guidelines on computer ethics and the code of ethics and the code of conduct. In fact, in the 70s the term "Computer Ethics" was coined by Walter Maner. He integrated ethics into the college curriculum (Maner, 1980). Secondly computing students were selected for this study on the two fundamental ethical dimensions that were prevailing among students at the time. In our years of teaching as faculty members it has further led us to believe that cheating, plagiarism and fabricating evidence were found to be the top related ethical issues among students (Haines et al. 1986; Becker & Ulstad, 2007). Studies have shown that cheating in college is an epidemic and some analysts of this problem estimate that 50% of college students may engage in such behavior. Dr. Bruce Weinstein points to a 2008 report released by Josephson Institute of Ethics that found that more than 30,000 high schools students surveyed, approximately 65% admitted to cheating. Weinstein says, "Schools must teach ethics" ([www.education.com/magazine/article/cheating.ethics/](http://www.education.com/magazine/article/cheating.ethics/)). Such studies have examined demographical and social characteristic of students such as age, gender, academic standing, major classification and extracurricular activities. Each of these factors has been found to be related to some extent to cheating, although the relationship of these factors varies considerably from study to study (LaBeff et al. 1990).

The main focus of this paper is to discover out the ethical practice and behavior among computing students of one of the higher learning institutions in Brunei Darussalam

Researchers have employed several techniques to assess the ethical information. The most commonly used technique is called the ethical scenario (Masrom *et al.* 2010). The first attempt to use this approach was designed by Parker (1979) who conducted a workshop attended by sociologists, lawyers, psychologists and computer scientists. The purpose was to discover what unethical practices prevailed in the computer technology field. Since then this



approach has been widely used by several researchers especially conducting studies on the ethics of computer use (Hanchey and Kingsbury, 1994; Athey, 1993; Rahim *et al.* 2001; Namlu and Odabasi, 2007). Ellis and Griffith, (2001) pointed out that scenario method borrowed from the ethics case approach, comprising a short description of an ethical situation. Respondents would rate the ethics of the scenario using a single scale item with a 2 to 7 point scale with endpoint of reflecting respondents' ethical/unethical behavior. Kreie and Cronan, (1998) used this method to study the gender differences in evaluating ethical dilemmas, whereas Ellis and Griffith, (2001) utilized a multi-dimensional scale measuring ethics on seven IT related scenarios developed by Guthrie (1998).

The purpose of this pioneering study, therefore, is to provide appropriate general ethical scenarios to understand the computing student ethical practice towards two main dimensions namely "plagiarism" and "fabricating evidences", the two most common issues in ethics among students especially those studying in higher learning institutions in the Bruneian context. The details will be provided in section three under the methodology section.

The structure of this paper is as follow: a review of literature is provided followed by the methodology and data analysis of the scenario statements and users' demographical data. The paper provides some insight into students' unethical practices. The paper concludes with the practical implications of the research.

## **2. Review of Literature**

The subject of ethics in academia has been researched under the two broad categories of business ethics and computer ethics. Studies on computer ethics awareness are mainly focusing on computer-related issues such as computer crime, use and misuse of the computer and data, and software piracy (Cohen and Cornwell, 1989; Siegfried 2004). Some studies focused on computing students to report on ethical attitudes among college students by determining their ethical beliefs on seven scenarios and nineteen ethical



problems (Athley, 1993). Some studies focused on gender related responses on ethical related issues and found that differences in attitudes exist between males and females (Harris, 2000; McCarthy *et al.* 2005). However, Calluzzo and Cante, (2004) could not support the gender related differences. Jung (2009) reported Japanese college students' ethical judgments and behavioral intentions in three scenarios involving ICT-related ethical problems. Results showed that egoism and four moral dimensions mainly affect the ethical decisions of Japanese college students. King and Case (2007) investigated undergraduate student behavior and perceptions about e-cheating. They found that cheating is common among undergraduate students. Acilar and Aydemir (2011) focused on the unethical issue of privacy and piracy attitudes among computing students in Turkey. The hypotheses were tested for investigation based on age, gender and duration of computer usage and all these factors had significant impact on students' ethical judgment regarding computer and Internet use.

In another study, Becker and Ulstad, (2007) investigated the students' cheating behavior according to gender. Females tried to avoid the negative consequences of cheating and tend to be more ethical. Similarly, Guthrie and Guthrie (2003) studied 93 undergraduate CIS students in College of Business at California Polytechnics University. They were given seven scenarios that were academically based and seven other that were industry based. Results showed that between the academic and industry scenarios, similar ethical issues were related differently by students. In Malaysia, a study was conducted to assess the ethics of computer use among university students and staff and the role of gender, religion, work values and organizational values were considered. The results indicated that individuals' value for Islamic work ethics and level in the organizational hierarchy were linked with the attitude toward ethical computer use. However, no evidence could be established on the basis of gender (Norshidah *et al.*2012).

Measuring attitudes have an important role in analyzing behavior because it is known as a fact that there is a strong

correlation between attitude and behavior (Bertea, 2009). Most of the students mentioned above used 'attitude' as one of the variables in studying ethics (Acilar & Aydemir, 2009). Within the context of Brunei Darussalam studies assessed the students' attitude on the perception of English Language program (Seyal *et al.*, 2006) on software piracy (Rahim *et al.*, 2001) and in the context of e-learning (Seyal *et al.*, 2010). A favorable attitude of the students showed a greater probability of accepting new learning systems.

In Brunei, a few studies were conducted in the context of Software piracy and Softlifting. In the first study, Rahim *et al.* (2001) studied the factor affecting softlifting intentions of computing students. The results showed that softlifting intention of students varied depending upon the type of task for which they intended to use pirated software and secondly the attitude of the students towards software piracy significantly affected their softlifting intention and thirdly, gender and family income affected softlifting intentions of students. In the second study, Seyal *et al.* (2004) studied 205 computing students' responses by using a scenario approach of softlifting and linking the attitudes and subjective norms two components of the Theory of Reasoned Action (Ajzen & Fishbein, 1990). The result showed that both attitude and subjective norms determine the students' intention for softlifting.

It is evident from the above mentioned discussion that studies on ethics is mainly related to the computer ethics and the researchers focus were quite diversified and inconsistency in research and its findings indicate a gap in the patterns and results. In addition, the majority of these studies were conducted in the USA and other developed nations and generalizing them within the context of South-East Asian context is not very promising. Therefore there is a strong need to conduct further studies on the student's general ethical judgment and practice. This pioneering study in Brunei was conducted in early 2013 not only to fill-in the gap in knowledge but with two specific objectives:

1. To understand the college students ethical judgment and
2. To understand the role of demographical variables, (gender, age

and program of study area) if any, on the ethical practices.

### 3. Methodology

#### 3.1. The instrument & Selection of Scenario-based items

Scenario based survey instruments/questionnaires for assessing ethical attitude in computing can be traced back to Parker *et al.*, (1990). The questionnaire used in the study consists of three parts. Part 1 covers the demographical information asking questions about gender, age and program area on nominal and ordinal scale. Part 2 is specific scenario-based seven questions. The questions 1-4 collect responses on "Plagiarism" and questions from 5-7 collect responses on "fabricating evidence". Respondents are asked to classify behavior as Ethical (1), Not-sure (2) and Unethical (3). There is no right or wrong answer. The total score collected were 21 as all the seven responses are unethical. Students individual scores were obtained and difference were taken. The Part 3 of the questionnaire consists of four items to assess the students' overall attitude about ethics and teaching ethics to the computing students. Part 2 was adapted from ethical persuasion quiz retrieved from Website ([www.en.wikipedia.org/wiki/Ethical-Persuasion](http://www.en.wikipedia.org/wiki/Ethical-Persuasion))

Persuasion is unethical if it is for personal gain at the expense of others, or for personal gain without the knowledge of audience. Fitzpatrick and Gauthier (2000) test are used to determine if a persuasion attempt is ethical. The items in Part 3 were adapted after Jones & Clark, (1994) and were reworded to cater for the requirement of the study. The definition of "Plagiarism" is an act or instance of using or closely imitating the language and thoughts of another author without authorization and the representation of that author's work as one's own as by not crediting the original author ([www.dictionery.reference.com/browse/plagiarism](http://www.dictionery.reference.com/browse/plagiarism)). Whereas, term "Fabricating Evidence" is fictitious testimony, falsified evidence, forged evidence or tainted evidence is information that has been created or obtained illegally to sway the verdict ([www.en.wikipedia.org/wiki/Fabricating\\_evidence](http://www.en.wikipedia.org/wiki/Fabricating_evidence)).

### 3.2. Population and Sample Size

The study employed a survey approach to examine the ethical assessment of the computing student. The target population was the three hundred students that were studying at the five different program areas in Department of Computing & Information Systems of one institution of higher learning where authors work as faculty members. The questionnaire was handed over to their respective lecturer and students were advised to put back the questionnaire in a sealed box in the Student Resource room without showing their identity. Out of these we received 187 questionnaires however; seven were dropped out because of not fill-in properly. We retained 180 questionnaires for the purpose of this study. Thus making the response rate of 60% was found sufficient for exploratory study of this kind.

### 3.4. Data Analysis

Data obtained from the survey were analyzed using descriptive statics and ANOVA tests by means of SPSS version 19, a well known statistical package. The background of the participating student is summarized in Table 1. The dominance of females is quiet clear. This is not unexpected, because Bruneian tertiary school enrollment has confirmed the more female students compared to the male counterparts (Brunei Year Book, 2010). A vast majority (61%) of the participating students fell in age group between (19-22) years.

**Table 1 Showing Demographics**

Variables	Description	Percentage
Gender	Male	43
	Female	57
Age	15-18	3
	19-22	61
	23-26	36
	HND Computing	18
Study Program	HND in IS	18
	HND in IMD	17
	BIC	44
	BNC	3

#### 4. Ethical Scenario

The seven statements reflecting two dimensions of unethical behavior is described in Table 2. The responses were classified into ethical, not sure and unethical behavior. The items 1-4 measures the responses on plagiarism and items 5-7 measures responses on fabricating evidence. The overall total score of the scale is 21 which is 12 for first part and 9 for the second part. The half of the respondents (52%) approximately received the score from 10 to 12 indicating that half of the students consider plagiarism as an ethical activity besides faculty pressures and warning on submitting their course work assignments and reports. However, the result of second part of this scenario analysis that collect responses on fabricating evidence the responses are quite remarkable as only 29% of the respondents consider this as unethical. The analysis further highlights the students' moral and ethical behavior. It is evident that students are either unaware or have no prior understanding of what fabricating evidence explicitly demands and why it is considered as unethical. This needs to be addressed accordingly.

**Table 2 Scenarios Analysis**

No	Scenarios About Plagiarism	Ethical	Not sure	Unethical
1	In your class of computing that you took at another school, you received a handout that very clearly explains the relationship of students' interest in programming and their success in the final exams, the very topic about which you are going to give your speech. Would it be ethical to use this handout to support one of your propositions without saying where you got it or who prepared it, allowing your audience to draw the conclusion that you prepared it yourself?	13%	7%	80%
2	You read an op-ed article in a newspaper recently and thought the writer put the issue of homelessness into clear perspective. Since you are going to give a speech on homelessness and you honestly agree with everything this person said (but just said it a lot better than you feel you could), would it be ethical for you to paraphrase this op-ed piece? You wouldn't be using the writer's exact words, you'd just used the ideas without mentioning where you got them.	40%	10%	50%

No	Scenarios About Plagiarism	Ethical	Not sure	Un-ethical
3	You recently read an excellent summary of research on aging and memory in a magazine article. Would it be ethical to use this summary and cite the original research studies but not mention that you got it from a summary in a popular magazine?	28%	12%	60%
4.	At your other school you received a copy of a student that received A+. You want to give your own speech, but you just don't have the time, and anyway, this is a great speech and the class will profit from hearing it. In addition, you intend to give this speech a really great delivery. Would it ethical for you to give this speech.	43%	13	44%

No	Scenarios About Fabricating Evidence	Ethical	Not sure	Un-ethical
1	You are giving a speech to elementary school children on the dangers of smoking pot. From your research, however, you don't find the dramatic examples and startling statistics that you feel will convince these young children to stay away from pot. Since your aim is to achieve a good end, an end in which you firmly believe, would it be ethical to make up a few dramatic examples and allows the children to believe these are real cases of the problems that result from pot smoking? How about making up a few statistics to hammer the point home?	66%	16%	18%
2	In a presentation of false arrests, you develop this hypothetical story about a college student getting arrested and being held in custody unlawfully for several days. As you rehearse this story, you realize it would be a lot more convincing if the audience was allowed to think that this person was you. Would it be ethical to allow your audience to believe this incident happened to you? Actually, you wouldn't be saying that it was you or that it wasn't you; you'd just be allowing the audience to form their own conclusions.	70%	10%	20%
3	You are running against Pg. Zulhalmi for student president. You are pretty evenly matched and you need something to pull ahead. A friend tells you gossip that, if more widely known, would cost Pg. the election, even though it has nothing to do with the qualifications for student body president. Would it be ethical for you to bring up this information in one of your talks?	32%	10%	58%

## 5. Students' Attitude

Table 3 summarized the responses of the students on attitudinal part. Initially, attitude is measured on four items but due to the lowest corrected-item correlation obtained during assessing the reliability of items, two items that shows less than cut-off value of .40 (Hair *et al.* 1990) were dropped out the scale and students' attitude on teaching ethics were measured on two-items that provides the overall mean of 3.54 showing that students has above average and favorable attitude. The overall reliability obtained through measuring Cronbach's coefficient is 0.74 that satisfies the criteria provided by Hair *et al.*, (1990). The Survey results shows that 75% students favored that computing students should be taught the subject of ethics as a part of curriculum.

**Table 3 Attitude toward ethics**

Statement of attitudes	Mean	Source	Reliability Coefficient ( $\alpha$ )
I believe teaching ethics to computing students is a good idea.	3.30		
I believe that computing students should be taught subject of ethics as a part of curriculum.	3.79		
Overall	3.54	Jones & Clark (1994)	.74

## 6. Discussion

The study has fulfilled the both the objectives and several interesting findings have emerged from this study. Details are provided as follow:

*About ethical scenarios:* The students' responses were obtained on a scenario based analysis. There was no right or wrong answer to the scenario presented for both dimensions of analysis covering 'plagiarism' and 'fabricating evidence'. Interestingly, by only 13% of the students considered all these responses on plagiarism as unethical, whereas, 40% considered them to be unethical to some extent and 46% considered them as ethical. The responses are



evenly diversified on the second dimension of the analysis. Only 2% considered all the items as unethical, whereas, 28% considered them as unethical to some extent, however, a large majority of about 70% considered this as ethical. This clearly indicated that the surveyed computing students still had either no prior understanding of what's right or wrong or they could not differentiate it on the basis of scenario analysis. The results are in line with some of the previous studies on computer ethics

*Comparison of results and impact of demographical variables:* The second part of our objectives was to understand the role of demographics on the students' ethical judgment and practice. This was done by comparing the responses through One-way ANOVA test which confirmed that more male students had negative views about plagiarism ( $F= 3.32$ ,  $p\text{-value} < 0.05$ ). This is in line with the findings of Guthrie and Guthrie (2003); LeBaff *et al.*, (1990) and Athley, (1993) who found that girls held more positive views about the ethical judgment and practice. Results also supported Acilar and Aydemir's (2009) findings who found that girls were more sensitive than boys regarding the unethical use of computer. The age and program area have no relationship with the students' ethics on plagiarism. Similarly, on the fabricating evidence no difference could be obtained on the basis of gender and program area. However, significant statistical difference was noticed among age of the respondents and providing fabricating evidence. Post-hoc test further confirmed the significant difference in the age group of 15-18 who considered this as more ethical ( $F=92.7$ ),  $P < 0.05$  and  $p < 0.01$ ). Again the results are in line with Acilar and Aydemir (2009) who found that difference among group mean between 15-18 year old students were noticeable.

*About the attitude:* The data in Table 3 has confirmed that 75% of the students with an overall mean of 3.54 have positive attitudes about teaching ethics as a part of curriculum to the computing students. Our results could not get any support on the basis of demographics with the  $p\text{-value}$  remaining ( $p > 0.05$ ) high for all three demographical variables. The result supported the previous Brunei-



based studies on attitudinal aspect among students (Seyal *et al.*, 2010; Rahim *et al.* 1999)

## 7. Conclusion

The study results indicate that computing students have some difficulty in assessing scenario-based ethical behavior especially differentiating between plagiarisms and fabricating evidence assessed through a quiz. Half of the respondents consider that using someone's work and name without acknowledging is unethical and the responses from the other three items measuring the plagiarism vary. Similarly, on the issue of fabricating evidence, the majority of the students are either not clear nor have no prior understanding that this activity is also considered as unethical and they otherwise, consider it ethical. This important finding needs to be explored further. In addition with regards to three demographical variables that were used in the research, our results confirmed the difference in responses on the basis of gender when measuring plagiarism as the boys were more unethical in their responses. Similarly, age remained significant in measuring the responses about fabricating evidence. Those in the age group from 15-18 were found to be more vulnerable to unethical judgment. Finally, students' attitude towards learning ethics as a part of curriculum was very positive with the mean attitudinal score remaining above average. This in fact is a very important finding to enhance teaching and learning as the two fundamental approaches are considered vital as the learners not only understand the problem but also have positive attitudes when dealing with the issue. The study results did not confirm any significant difference in the attitudes on the basis of students' gender, age and program area. So, on the basis of the research and conclusion obtained thereafter we still believe that "It is ethical to teach ethics to the computing students".

*Recommended strategies for teaching:* One question that needs to be addressed by the faculty members is how one teaches ethics. While answering this, the faculty members may get benefits from

Scales (2005) who suggested that using ethical questions in class ought to bring about independent thinking in students, giving them the ability to express, analyze and evaluate ethical arguments on their own. The ideal teacher of ethics gives student the tools they need to arrive at “a state of unstable peace between the principles one adopt cognitively and the intuitions one holds inherently”. Faculty members involved in teaching ethics need to bring coherence to the ethical principles. Ethical theory must be made concrete by the teacher; otherwise ethical judgment becomes a matter of the loudest voice or the cleverest debate. We agree with Solomon, (1992), “The aim of ethics is not to teach the difference between right and wrong but to make people comfortable facing moral complexity”.

*Limitations:* Like all, the empirical researches, this study is not free from weakness. The first one is based upon surveying a single institution that makes the results difficult to generalize. We should be cautious while generalizing these results to assess the overall ethical judgment of the students. Secondly, like any study on ethical attitudes, the survey respondents might give false responses in an effort to obscure their true feelings (Becker & Ulstad, 2007).

*Future Studies:* The instrument is based on multi-dimensional items; especially part 2 that is scenario-based. The reliability of the items remains problematic and students’ responses on the scenario analysis have response biasness. The study in the present context does not address these inherited problems and it is hoped that future endeavors will attempt to address these issues.

## **8. Recommendations for Improving Ethical Training of Students**

The biggest challenge that emerged as a result of this study is on how to address this issue among the academia especially among students in an institution of higher learning. There are two fundamental approaches that provide the theoretical underpinning in the context of ethical practice and are discussed here. The first one is behavioral therapy or approach and the second one is spiritual,

religious or to me being Muslim is Islamic therapy or approach. As the subject demands a shift in mindset that further uncovers the explanation from the discipline of change management, we shall first discuss it from the behavioral aspect.

While suggesting behavioral approach to practice, Guion and Free (2010) proposed a multi-dimensional framework. They believe on an old saying that “knowing and not doing is equal to not knowing”. Educators must focus their change strategies and educational activities on intentionally facilitating behavioral change among their cliental to ensure the change strategies employed bring about an increase in the likelihood that change will occur. They must also provide general evaluation indicators and follow up processes to reinforce each stage of behavior change.

The Science and Art of Neuro-linguistic programming (NLP) ([www.en.wikipedia.org/wiki/Neuro-linguistic\\_programming](http://www.en.wikipedia.org/wiki/Neuro-linguistic_programming)) suggest that individuals learn their beliefs. So if a change in the desired result is required then it must be conducted at a very low level that is a change in the belief about life. It is clear that without a positive change in belief, no permanent change in attitude and behavior could be achieved. Behavioral scientists believe that by changing one’s thinking, one can change one’s belief which in turn changes one’s attitude. When one changes his/her attitude, the behavior of a person is changed as well. So no sustained changes in behavior could be brought about unless personal beliefs are first changed. The change in behavior brings change in life that is associated with positive performance Ajzen and Fishbein, 1980). In other words, once the person wants to change his condition of life, his/her behavior towards life would also change. It is also understood that whatever action we perform in our daily life is the outcome of our basic belief system that are learnt and like any other learnt things can be changed and replaced<sup>1</sup>. Like any other behavioral change training program, the ethical training program by using any medium of teaching/learning such as; seminar and

1 For further on theories of behavior change reference is made by visiting [www.worldbank.org/commgap](http://www.worldbank.org/commgap); [www.entarga.com/orgchange](http://www.entarga.com/orgchange); and [www.en.wikipedia.org/wiki/behavioural-change-theories](http://www.en.wikipedia.org/wiki/behavioural-change-theories)

classroom learning would bring an impact on not only identifying the issue of ethics but also bringing a shift in the mindset of the young students.

The second approach or therapy focuses on spiritual training as some of us believe on the term as covering the broader perspective, however, the majority believes and call it an Islamic approach. Islam as a religion is the basic driving force as it teaches people to be considerate of others. It is the religion that teaches people not to cause annoyance to other. It is the religion that teaches people that they are responsible for their own actions and that they are being continuously monitored. It is the religion that teaches people to continue fulfilling their obligations towards other regardless of the results.

The reason of using of Islam as a "wise choice" is because being a Muslim; it is our belief that no other religion provides such a comprehensive code of life as Islam does. Unlike other religion (set of beliefs) Islam is called "Deen" and the closest English meaning of the Arabic word "Deen" is a way of life. Therefore, Islam provides a comprehensive guideline on every aspect of human being in this life, in this world and one after that. Understanding the Holy Quran- the holy book would further reveal that one third of the Quran focuses on the relationship between Allah and the human being and two-third of the teaching provides guidelines on inter-relationship of human being and intra-relationship among themselves. These relationships can further be segregated into personal, professional, organizational and/or social relationship including matrimonial laws, economic provision, personal behavior, public obligations. The Quran provides the solution catering all the psychological and physical needs of the human being. The message of the Quran is a universal message. It was this quality of the teaching of the Quran that impressed Goethe, the renowned German poet so profoundly that he said that it was like a majestic river flowing eternally (Rauf, 1988). The ethical system in Islam is so strong that it accepts the right of respect, personal property and freedom of every human being. Islamic teachings further stresses on saying the truth, speaking

good, performing duties dutifully, cherishly and with responsibility. The Holy Quran says: *"Ye who believe! Guard your duty to Allah and speak words straight to the point"* (33:70). And *"Say to my servants that they should say those things that are best"* (17:53).<sup>2</sup>

Another example of the Quran as to how it stresses and accepts the right of respect and privacy of the individuals: Holy Quran says: *O! You who believe "Enter not houses other than your own until you have asked permission and greeted those in them, that is better for you in order that you may remember. And if you find no one therein, still, enter not until permission has been given. And if you are asked to go back, go back for it, is purer for you. And Allah is all knower of what you do"* (24:18).

Finally coming closer to way out we believe that in academia students' unethical behavior need to be addressed accordingly. There is a strong need to design the ethical curriculum in such a way as it could motivate the students to choose what they choose to do and academic institutions therefore need to have three things to promote what is "desirable" and what is "undesirable" or what is right or wrong and what is required and what needs to be done and to develop skills or competency that students need to practice in achieving the desired level of ethical footing. In Brunei, institutions of higher learning have religious classes focusing on the fundamentals of religious teachings. There is a need to revise their curriculum at post secondary classes into two broad categories of teaching. One focuses on the fundamental teaching of Islam and the second category focuses more on the relationship of a human being with one another which will provide a leading step in promoting the ethics, morality and social responsibility among the young students.

Last but not least, we suggest putting the right perspective of ethical behavior among students by combining both aspects of change management of the behavioral as well as Islamic teachings can have a manifold impact. Seyal, (2003) has suggested that in bringing about change at any level, people are least concerned with anything that goes on unless it affects them personally, positively

<sup>2</sup> For Quranic verses cited, reference is made from English translation of Al-Quran by Marmaduke Pickthall, (UK).

or negatively and they must be educated about the consequences and rewards of their behaviors if a sustainable behavioral change is to be achieved and focus should be on educating them and not only training because human beings don't need to be trained but rather need education which could build their conscience and empower them answer to "why"? We agree with the quotes of Arthur Wellesley, "*Educate people without religion and you make them but clever devils*".<sup>3</sup>

Educationists and religious teaching departments have a mutual responsibility to bring a change at the curriculum level and to introduce pedagogical/androgogical teaching/learning strategies at post-secondary and higher institution level. An introduction of a separate subject of "General Ethics", "Ethical Learning" or "Social and Business Ethics" can be further helpful in this regard. We should remember that changing the belief systems of the students at an early stage would further help them to change their behavior at the later stage. Further by promoting the ethical learning through the curriculum the expenditure on the security related issues could further be minimized. This will help the young learners to understand their social responsibility (individuals express their own values in their own act) and to make them more socially responsible individuals that will lead them to develop and practice organizational citizenship behavior at the workplace.

*".....Verily never will God (Allah) change the condition of a people until they change it themselves with their own souls". •*

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<sup>3</sup> Field Marshall Arthur Wellesley, 1<sup>st</sup> Duke of Wellington (1735-1781). He fought battle of Waterloo and after the war became commander-in-chief of army in occupied France. For the quote reference is made ([www.en-wikiquote.org/wiki/Arthur\\_Wellesley\\_1st\\_Duke\\_of\\_Wellington](http://www.en-wikiquote.org/wiki/Arthur_Wellesley_1st_Duke_of_Wellington)) and ([quoteland.com/./Duke-of-Wellington-Arthur-Wellesley-quote](http://quoteland.com/./Duke-of-Wellington-Arthur-Wellesley-quote))

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# Ethics and Integrity Development: Towards Sustainable Business in Indonesia

Yuhana Astuti

## Abstract

A number of world-class giant companies were collapsed, not because of the poor performance of their business but due to more of the failure of the applications of the principles of business ethics that comes from character, behavior, and integrity value of the managers. Regulations enforcement in a fair and high morality applied in business confidence will build a trust to sustainable business that will eventually be able to create prosperity people's lives to be better. Corrupt practices become the most important issue for business people in doing business in Indonesia. This condition is slowly but surely going to destroy the economic foundations of the nation. In order to realize the implementation of clean and respectable country, the government is committed to implement the national strategy in the prevention and fight against corruption which is listed in several of government work programs. In practice, the synergistic collaboration between various stakeholders both in government and private sectors is needed. The purpose of this study was to determine the development of the corruption level in Indonesia, and analyze how business ethics and integrity play a role in supporting business activities in Indonesia. The method used in this study is descriptive qualitative analysis techniques through the literature study and direct observations of the business activities. The results showed that the individual or company that values integrity and business ethics in its business processes, not only guarantee the company to compete healthy but also make the company grow and develop in a sustainable manner.

**Key words:** *Ethics, Integrity, Corruption, Sustainable Business, Indonesia.*

## **1. Introduction**

In the globalization era, the world business community began to realize that “the business of business is business” is no longer valid. Businesses do not be assessed only by doing the best activities in producing, marketing or buying products to gain maximum profit. Scandals involving Enron, Tyco International, HealthSouth, Adelphia Communications, WorldCom, Global Crossing, Rite Aid, and other companies have raised deep concerns about ethics in business. They were collapsed not because of their poor business performance but due to more of the failure of the applications of the principles of business ethics.

Corruption is one example of unethical behaviors occurs in business activities in Indonesia. Many laws and regulations in Indonesia are made to prevent and combat corruption. Furthermore, Indonesia has also established institutions that specifically address the prevention and eradication of corruption. Corruption in Indonesia is likely to be facilitated by a number of factors, such as large amounts of public resources derived from natural resources, vested interests and politically connected networks, poorly paid civil servants, low regulatory quality, and weak judicial independence. In addition, local officials are given wide discretionary power and resources without proper accountability and enforcement mechanisms (Martini, 2012). Therefore, the purpose of this study was to determine the development of the corruption in Indonesia, and analyze how business ethics and integrity play a role in supporting business activities in Indonesia.

## **2. Literature Review**

### **2.1. Business Ethics**

The definition of ethics is expressed differently in some literature sources, but it can literally be said to have a relatively similar meaning. Bertens (2000:32) states that, by definition, ethics is divided into practical and ethical reflection. Practical ethics mean values and moral norms as long as it is practiced or unpractised,

although it should better to be practiced. While, ethical reflection means moral thinking about what to do and especially about what to do or not to do. Furthermore, Ferrel (2011:7) states that ethics as “inquiry into the nature and grounds of morality where the term morality is taken to mean moral judgments, standards and rules of conduct”, and business ethics is defined as “Principles, values, and standards that guide behavior in the world of business “. Jennings (2009: 3) stated that ethics is based on virtue and values, while differentiating business ethics based on virtue, values and business. Meanwhile, according to Griffin (2005:186), ethics is defined as beliefs about what is right and wrong, or good and bad action that will affect other things and business ethics is defined as ethical or unethical behavior by managers in an organization.

In business ethics, there are principles that should be adhered by the business people. If the business people ignore these principles in their business activities, it will cause: (1) Do everything they can to their business interests, (2) Increase in violence, (3) Corruption, Collusion and Nepotism are more widespread, (4) Fraud is rampant, (5) Increased business people who masked ethics in their business activities, (6) Secrecy and privacy are not maintained, and (7) Intellectual Property Rights and Copyright work is not recognized and respected. (Ernawan, 2011: 212).

The two most common approaches used to encourage ethical behavior in the workplace by implementing written code of ethics and enforce the ethics programs (Griffin, 2005: 194). Patrick E. Murphy in Josephus (2010:287) differentiates code of ethics into three types, namely: (1) Value Statement: A brief formulation and contains subject matter related to the mission of the company, (2) Corporate credo: Contains assertions related to corporate responsibility towards stakeholders, (3) Code of ethical conduct: moral-ethical corporate policy in anticipation of the bad things in the business.

## **2.2 Integrity**

Integrity can be defined as the quality of moral self governance

at the individual and collective levels (Petrick.J and Quinn.J, 2001: 24-30). The first step for companies in developing their integrity is to introduce a code of conduct, followed by an ethics or compliance program that includes board and management oversight, employee communication and training auditing and monitoring plans, hot lines, disciplinary and enforcement mechanisms, response protocols, and the like (Kapten.M and Avelino.S, 2005 :45-54).

### **2.3 Corruption**

Corruption, according to the Indonesian language dictionary, is defined as the misuse or misappropriation of state funds for personal benefit or others. Meanwhile, according to Transparency International, corruption is defined as the abuse of the trust of others, for personal gain. Corruption is most commonly defined as the misuse or the abuse of public office for private gain (World Bank, 1997 and UNDP, 1999). It can come in various forms and a wide array of illicit behavior, such as bribery, extortion, fraud, nepotism, graft, speed money, pilferage, theft, and embezzlement, falsification of records, kickbacks, influence peddling, and campaign contributions Balboa. J and Medall E, 2006). While, corruption is commonly attributed to the public sector, it also exists in other aspects of governance, such as political parties, private business sector, and NGO. (USAID, 2005).

### **2.4 Sustainable Business**

Sustainable Business is defined as the ability of a company to achieve business goals and enhance long-term value for shareholders by integrating economic, social and environmental considerations into its business strategy. Sustainable development in business is necessary for ensuring the success and strength of the company for future generations and helping to make the company become one of the largest companies in the world. Generally, to keep the sustainability of its business, the company seeks to carry out properly its social responsibility to: (1) environment, (2) customer, (3) employees, and (4) investors (Griffin, 2005:204)

### **3. Methodology**

The research method used in this research is a qualitative descriptive analysis technique through the literature study that describes the development of ethics and integrity in order to achieve sustainable business. The selection of qualitative methods was based on the goal to gain point of views and understanding of the problem based on a structured scientific overview, so the phenomena related to the focus of the research can be described and understood in more detail. Sampling has been carried out by judgment sampling technique, i.e. sampling planned and already has a specific purpose, or meets certain criteria set by the researcher (Zikmund, 2010:133). In this study, the sample used was PT. Telekomunikasi Indonesia, Tbk.

### **4. Research Results**

#### **4.1 The Development of Corruption in Indonesia**

Transparency International Indonesia (TI-Indonesia) launched its Annual Corruption Perception Index (CPI), which is an index that measures the perceived level of corruption in the public sector. This index is used by many stakeholders as a reference to see an overview of global corruption levels in each country. In a release in 2012, TI-Indonesia explained about the change in the measurement method, including the index scale ranges. If in previous years IT-Indonesia use the range scale of 0-10 (0 perceived as very corrupt, very clean 10), then in 2012 the range was enlarged to 0-100 scale (0 perceived as highly corrupt, 100 very clean). Changes in the scale ranges are intended to be understood more significant differences with a range of larger numbers scale. The corruption ranking countries in ASEAN during 2010 to 2012 were illustrated in table 1 below:

**Table 1. The Corruption Ranking Countries in ASEAN 2010- 2012**

2010			2011			2012		
Country Rank	Country	CPI Score	Country Rank	Country	CPI Score	Country Rank	Country	CPI Score
1	Singapore	9.3	5	Singapore	9.2	5	Singapore	87
38	Brunei	5.5	44	Brunei	4.3	46	Brunei	55
56	Malaysia	4.4	60	Malaysia	3.4	54	Malaysia	49
78	Thailand	3.5	80	Thailand	3	88	Thailand	37
110	Indonesia	2.8	100	Indonesia	2.6	108	Filipina	34
116	Vietnam	2.7	112	Vietnam	5.2	118	Indonesia	32
134	Philippines	2.4	129	Philippines	2.9	123	Vietnam	31
154	Laos	2.1	154	Laos	2.2	160	Laos	21
176	Myanmar	1.4	180	Myanmar	1.5	172	Myanmar	15

Source: [www.ti.or.id](http://www.ti.or.id), accessed on 24/02/2013

In 2010 Indonesia's corruption ranking was under Singapore, Brunei, Malaysia, and Thailand with the rate of CPI score of 2.8. Indonesia is just better when compared to Vietnam, Philippines, Laos and Myanmar. The level of corruption in Indonesia in 2011 was not different when compared to the year 2010 in which the CPI score decreased to 2.6. In 2012, there was an increase of Indonesia CPI score amounted to 32. This shows that there was an improvement on corruption level perception in Indonesia; although the improvement was not significantly reduce the corruption in Indonesia. The last three years data shows that no significant changes in the corruption conditions in Indonesia.

Furthermore, IT-Indonesia issued a national corruption level measurement instrument called the Indonesia Corruption Perception Index (CPI-Indonesia). Table 2 shows the corruption perception index in Indonesia in 2004-2010, with a total sample of respondents from different cities and it is known that in 2004, DKI Jakarta is considered as the most corrupt regions with the lowest score (3.87), while the Wonosobo district gets the highest score (5.63).

**Table 2. Indonesia Corruption Perception Index 2004- 2010**

Sample (Responden)		2004		2006		2008		2010		
		1305		1760		2371		9237		
City (Total)		21		32		50		50		
Results	The 5 Highest Score of IPK	City	Score	City	Score	City	Score	City	Score	
		Wonosobo	5.63	Palangkaraya	6.61	Yogyakarta	6.43	Denpasar	6.71	
		Banjarmasin	5.39	Wonosobo	5.66	Palangkaraya	6.1	Tegal	6.26	
		Makassar	5.31	Pare-pare	5.66	Banda Aceh	5.87	Solo	6.00	
		Cilegon	5.28	Tanah Datar	5.66	Jambi	5.57	Yogyakarta	5.81	
		Kotabaru	5.23	Yogyakarta	5.59	Mataram	5.41	Monokwari	5.81	
		The 5 Lowest Score of IPK	Batam	4.32	Cilegon	3.85	Purwokerto	3.54	Jambi	4.13
			Semarang	4.17	Denpasar	3.67	Kendari	3.43	Makassar	3.97
			Medan	4.09	Gorontalo	3.44	Monokwari	3.39	Surabaya	3.94
			Surabaya	3.93	Mataram	3.42	Tegal	3.32	Cirebon	3.61
	DKI Jakarta		3.87	Maumere	3.22	Kupang	2.97	Pekanbaru	3.61	

Source: [www.ipkindonesia.org](http://www.ipkindonesia.org), accessed on 24/02/2013

In 2006, the city with the highest score is Palangkaraya (6.61) and the lowest score is Maumere city (3.22). In 2008, TI-I make changes to the instrument of CPI-Indonesia. Based on the 2008 survey, Yogyakarta (6.43) had the highest scores, while Kupang got the lowest score (2.97). In 2010, the city with the highest score is Denpasar (6.71) and the lowest score was Pekanbaru (3.61).

The corruption practices in Indonesia were also reflected by the high level of corruption in the various provinces in Indonesia. Based on the result overviews of Financial Investigation Bureau of Indonesia (BPK) in the second half of the year 2011, the country suffered financial losses of IDR 4,74,640,290,000,- with 9703 corruption cases. Table 3 below shows the corruption level in the provinces based on the financial loss and the number of cases. The highest number of corruption cases, namely: North Maluku (732 cases), Jakarta (715 cases), Aceh (620 cases), South Sulawesi (589 cases), and West Papua (514 cases).



**Table 3. The Financial Loss and The Number of Cases in Indonesia 2011**

Province	Cases	Million IDR	Province	Cases	Million IDR	Province	Cases	Million IDR
DKI Jakarta	715	721.5	Kalimantan Timur	244	80.1	Kalimantan Selatan	221	22.8
Aceh	620	669.8	Sumatera Selatan	239	56.4	Kalimantan Tengah	153	21.4
Sumatera Utara	334	515.5	Nusa Tenggara Barat	307	52.8	Banten	207	20.1
Papua	281	479.9	Sulawesi Tengah	294	52.8	Kepulauan Riau	109	16.1
Kalimantan Barat	334	289.8	Sulawesi Barat	335	51.3	Sulawesi Utara	227	16.0
Papua Barat	514	169.0	Gorontalo	203	48.8	Jambi	172	15.8
Sulawesi Selatan	589	157.7	Maluku	326	47.8	Jawa Timur	153	11.4
Sulawesi Tenggara	513	139.9	Nusa Tenggara Timur	219	44.4	Jawa Tengah	145	10.4
Riau	348	125.2	Jawa Barat	363	32.4	Bali	81	6.2
Bengkulu	257	123.9	Lampung	181	28.4	DIY	23	4.7
Maluku Utara	732	114.2	Sumatera Barat	188	27.4	Bangka Belitung	76	1.9

Source: [www.tribunnews.com](http://www.tribunnews.com), accessed on 25/02/2013

Not all provinces have the most corruption cases; it also provides the highest financial losses. North Maluku as a province that has the highest number of corruption cases, provides financial losses that are smaller (IDR 114.2 billion) compared to West Papua (IDR 169 billion). Some businesses cases in Indonesia related to ethical violations among other such as tax mafia (Gayus Tambunan), Bank Century scandal, Hambalang project, SIM simulator tool, and other cases.

#### **4.2 The Development of Ethics and Integrity in PT Telekomunikasi Indonesia, Tbk**

PT Telekomunikasi Indonesia, Tbk. (PT Telkom) is one of the Indonesian State-Owned Enterprises, which is engaged in telecommunications services and networks, established on October 23, 1856. With its status as a state-owned company that shares are traded on the stock exchange, the company's majority shareholder is the Government of Indonesia and the rest held by the public. Beyond telecommunications services, PT Telkom is also doing business in the field of multimedia in the form of content and applications, complementing the Company's portfolio of businesses called TIMES (Telecommunications, Information, Media,

Edutainment, and Services).

#### **4.2.1 Value Statement**

PT Telkom's business objective is "to achieve the leading position by strengthening legacy business and growing new wave of businesses to gain 60% of the industry revenues in 2015". In conducting its business, PT Telkom is based on the value in its mission statement which is "To Become a Leading Telecommunications, Information, Media, Edutainment and Services (TIMES) Player in the Region", and its vision are: (1) To provide TIMES with Excellent Quality & Competitive Price, and (2) To be The Role Model as the Best Managed Indonesian Corporation.

Vision of PT Telkom in Corporate Social Responsibility is "To be a pioneer in the application of corporate social responsibility in Asia", and the missions are: (1) Taking an active role in creating a more intelligent society through education InfoComm technology, (2) Taking an active role in improving the quality of life in community life, (3) Taking an active role in maintaining the balance of nature ([www.telkom.co.id](http://www.telkom.co.id)).

#### **4.2.2 Code of Conduct**

The corporate culture of PT Telkom was built into integrated company as a comprehensive business management approach to achieve performance excellence Company (be profitable), obey the law, running an ethical business (be ethical) and its awareness of the company and the employees who are sensitive to be responsible to the community as a form of being a good citizen. Corporate Culture (The Telkom Way) has five corporate values are: Commitment to long term, Customer first, Caring-meritocracy, Co-creation of win-win partnership, and Collaborative innovation.

#### **4.2.3 Code of Business Ethics**

To implement ethical business practices in PT Telkom and its subsidiaries (PT Telkom Group), PT Telkom code has been defined as follows: (1) To be an honest company and become a model company by running a healthy, strong and fairly business driven by the commendable values and obey the laws and respect all the

stakeholders. (2) Has an obligation in running or managing the Company's business by observing the principles of business ethics and the law. (3) To implement the principles of good corporate governance and care to the community, culture and environment. (4) Is forbidden to violate the law and ethics, although for the business reasons or because of pressure from any parties. (5) To protect each of the informers that provide information related to legal violations, unethical events or other actions that violates the principles of good corporate governance.

While the employee code of conduct is defined as follows: (1) Upholding honesty and fairness in action and running the duties. (2) Upholding the company's interest above self-interest, group or faction. (3) Respecting for individual rights and diversity as a source of PT Telkom Group. (4) Upholding company culture. (5) Maintaining the security the company assets and protect confidential company information. (6) Providing good quality products and best service to customers. (7) Pursuing profit and growth, to remain in compliance with the law and business ethics. (8) Having Responsibility for any decisions made and actions taken. (9) Maintains and enhances the reputation of PT Telkom Group. (10) Caring about the community and the environment.

#### **4.3. Socialization and Business Ethics Enforcement Efforts**

PT Telkom always reminds their employees about the values and business ethics through internal surveys (Family Business Ethics Survey) containing questionnaires and case studies related to the understanding of good corporate governance, business ethics, integrity pact, fraud, risk management, internal control, whistleblowing, banning gratification, iT governance, information security and other matters relating to corporate governance practices. PT Telkom survey was conducted online through the company portal media / intranet and then it ended with a statement of employee willingness to run the company's business ethics.

PT Telkom consistently provides training and efforts to prevent all employees of PT Telkom from corruption practices. Employees are

sent to attend seminars, training in Indonesia and even abroad about the practice of anti-corruption policy and its implementation as a series of integrated activities in an effort to prevent the occurrence of corruption. In addition to owning and implementing a code of conduct consistent in implementing good corporate governance, PT Telkom also transform the culture with an emphasis on growth and development of integrity of PT Telkom's employees.

During the year 2011, PT Telkom has received nine eligible complaints with following categories: accounting and auditing, regulatory violations, fraud or corruption findings and code of ethics. Of the nine complaints, seven complaints have been investigated and no evidence found that there has been corruption so that no state losses incurred, while two complaints still under investigation. PT Telkom gave legal sanction and punishment for perpetrators in accordance with applicable regulations ([www.telkom.co.id](http://www.telkom.co.id)).

Some implementations of business ethics in 2011 that has been done by PT Telkom actively is to conduct a seminar on business ethics, workshop on control of gratification, a discussion of anti-bribery culture, as resource person in the study of a variety of activities in collaboration with the Indonesian Corruption Eradication Commission (KPK) and the Ministry of State-Owned Enterprises.

#### **4.4 Sustainability Business**

The development of an integrated ethics is being conducted by PT Telkom on an ongoing basis at all levels of management. It has been proved, with the re-election of PT Telkom as Indonesia's Trusted Companies 2012 by the Investors, analysts and fund managers (Swa, 2013: 42). This survey assessed how emitem or public companies implement a Good Corporate Governance covering aspects of transparency, accountability, responsibility, independence, and fairness. Efforts to sustain the business are being conducted by PT Telkom with a primary focus on three aspects: economic, social, and environmental. PT Telkom's financial performance during the period 2010-2012 can be illustrated in table 4:

**Table 4 Financial Performance of PT. Telkom, Tbk**

Performance Indicators	2010	2011	2012
Revenue (Million IDR)	66,629	71,253	56,864
Operating income (Million IDR)	22,923	21,948	19,303
Net profit (Million IDR)	15,87	15,47	14,118
Closing stock price (IDR)	7,95	7,5	9,3

Source: Swa, 2013.

Although operating income decreased but the value of the shares of PT Telkom has increased, indicating the increase of trust investor's PT Telkom in 2012.

## 5. Conclusions

Based on the description above, here are some conclusion and recommendation which may contribute to ethics and integrity development in Indonesia: (1) Prevention of corruption is not possible only by law but also must be through ethics and integrity education. Education can guide a man's ethics to have intellectual, moral and social development, so it can build a strong integrity system. (2) PT Telkom has proven ethics and integrity of the individuals who developed constantly, not only guarantee the company to compete healthily but also make the company grow and develop in a sustainable manner. (3) The conclusions is closed by nothing that the research work can be extended for more companies case studies or industry levels, and using quantitative method since the qualitative method analysis has some limitations. •

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# BUSINESS ETHICS AND INTEGRITY: ETHICS IN BUSINESS DEVELOPMENT

# Outsourcing and Offshoring – Opportunities, Challenges and Solutions for Socio-economic Sustainable Growth and Building Integrity in the World of Business in Southeast Asian Countries: A Case Study of Vietnam

Nguyen Minh Quang

## **Abstract**

*In the background of globalization, outsourcing and offshoring have already played an important role in the production organization of a variety of businesses and given an impulse to economic structure transformation in modernization as well. In this case study, the author not only examines the impacts of outsourcing and offshoring on the Vietnam socio-economic situation but also reveals their roles and impacts in building and maintaining the integrity values in the world of business in the country. In addition to this, this paper highlights a wave of great opportunities, trends, and challenges that activities of outsourcing and offshoring have brought both socio-economic development and building integrity. Finally, by means of suggesting solutions for the development of outsourcing and offshoring in Vietnam, the author indicates that the maintaining and improving the integrity values are always the most important remedies for strengthening ability to compete efficiently in emerging markets as well as helping the national economy with sustainable growth.*

**Key words:** *outsourcing, off shoring, integrity, Vietnam economy, corruption*



## 1. Introduction

Globalization is not a new phenomenon now but it is really an indispensable tendency to any country. Although globalization is compared with the severity of every morning in an African savanna in which the gazelles (refer to developing countries) as well as the majestic lions (refer to developed countries) must run as quickly as possible for their survival, it brings many countries, especially less-developed countries (LDCs) great opportunities to catch up with more developed countries (MDCs) or make the development time shorter at least. Globalization, hence, has made the gap among countries smaller and smaller and as a result, the world is flatter and flatter (Friedman, 2005, p.115).

Two of the most characteristic manifestations of globalization are known as 'outsourcing' and 'offshoring' (also 'offshore outsourcing'). Indeed, these are the two forms of economic performance that are known as 'the guidelines' (the good course of action) helping LDCs with the shortest way to develop (taking a shortcut to be an industrial country by using achievements in science and technology done by MDCs instead of step-by-step development). And it is the same for Vietnam since 2006 when it became the 150th member of WTO, with the very low point of departure; it has tried hard to improve governance policy and the investment environment as well as created good conditions in order to stimulate the development of outsourcing and offshoring.

As a result, after 20 years of opening its markets and more than half a decade of integrating into WTO, Vietnam has achieved remarkable and great achievements of socio-economic development in general and outsourcing and offshoring in particular. Actually, Vietnam recently has been constantly ranked as one of the most potential and attractive countries in outsourcing by prestigious economic magazines and scholarly journals such as Tholons, Global Services, Business week, Forbes, etc. In addition to this, Hanoi and Ho Chi Minh City were also arranged into the list of the 50 most attractive cities worldwide in software outsourcing in year 2010 and 2011 by Tholons and Global Services. Besides, along with

about 150 outsourcing firms was established like FPT, Sang Tao, Glass Egg Digital Media, TMA Solutions, etc. the number of foreign outsourcing-specialized groups investing into Vietnam is on the increase, for example, IBM, Nortel, SilkRoad, AT&T, Luxsoft, ACS, Accenture, etc.

However, like other developing countries in Southeast Asian region, Vietnam has been greatly impacted by outsourcing and off shoring activities in terms of socio-economy and integrity. They have brought the country a lot of convenient opportunities and challenges as well. Not only do they affect socio-economic development, but they will certainly influence on building and maintaining the integrity values in the world of business in Vietnam to some extent. Therefore, it's quite important to assess outsourcing/off shoring's roles and opportunities as well as challenges at their true worth because this will help policymakers with a correct and full view with regard to outsourcing and off shoring in their socio-economic development programming and implementation strategy addressed to the issues of integrity, especially with regard to fighting corruption and fair competition as well.

## **2. Literature Review**

Globalization, "comprehensive term for the emergence of a global society in which economic, political, environmental, and cultural events in one part of the world quickly come to have significance for people in other parts of the world" (Tabb, MS Encarta 2009).

Globalization, through its varied manifestations, has been effecting politics, economics, society, and religion worldwide and it is noteworthy that although there are technological and political differences between previous era of globalization and the one we are now in, there are generally many similarities between them (Friedman, 2000). Cheap and ubiquitous telecommunications have finally eliminated all obstacles to international competition, and many economic sectors (especially service, industry, and scientific

research as well) have been outsourced and off-shored to the English-speaking countries abroad (Friedman, 2005).

In that way, outsourcing and off shoring leap to concerns to a dozen nations which are known as emerging outsourcing-related markets. And it is the same for Vietnam, which is tipped to be next outsourcing hotspot within the next few years (Bloomberg Businessweek, 2006 and McCue, 2007). It has a lot of benefits for software outsourcing ('IT outsourcing'), such as low-cost labour, 'a strong labour pool', stability, and overseas Vietnamese, as well as many challenges like lack of transparency, corruption, workforce limitations and backward infrastructure (Gallaugher and Stoller, 2004). However, this clearly is not all about outsourcing because both outsourcing and offshoring, in fact, play an important role in production organization in a variety of businesses, especially industry, service, and trade sector. Consequently, it's quite necessary to examine their importance to the entire socio-economy of a country, especially developing countries like Vietnam.

Moreover, most will agree that sustainable development of outsourcing and offshoring in particular and socio-economy in general depends much on integrity, transparency and lack of corruption in society (Mohan, 2007). According to Transparency International Plain Guide Language (2009), integrity is known as "behaviors and actions, consistent with a set of moral and ethical principles and standards, embraced by individuals as well as institutions, that create a barrier to corruption".

However, it, in fact, can be seen that there is not any research work that deals with the relationship between outsourcing/offshoring and integrity recently although they are actually interdependent – the severe competition in market of outsourcing and offshoring demands high integrity, more transparency, lack of corruption, and fair competition; meanwhile, building and maintaining the integrity values are also ruled by outsourcing and offshoring to some extent.

Therefore, the adequate examining with regard to the roles and challenges of outsourcing and offshoring to both socio-economy development and building the integrity values in Vietnam, generally,

is indeed very indispensable and significant.

### **3. Methodology**

#### **3.1. Collecting and analyzing documents**

The author selected and synthesized documents from books, newspapers, magazines, journals, summary records and presentations from domestic and foreign conferences, workshops with regard to globalization, especially outsourcing, software outsourcing, call center, etc. as the secondary data for the case study.

#### **3.2. Fact-finding trip and personal experience**

Apart from the secondary data, the author has primary data which is made up of his own experience and real comprehension with regard to outsourcing that he had been involved with for the past few years. After nearly 3 years of working in software outsourcing (web development, application development manager – ADM, data processing, etc.), business process outsourcing (BPO) and call center, the author is aware of the situation of outsourcing activities in Vietnam to some extent.

In addition to this, the author had made a few trips to some industrial parks throughout the country (Hanoi and Vinh Phuc in Northern Vietnam, Ho Chi Minh City and Dong Nai in Southern Vietnam) in order to ask for needed information and exchange views with insiders who are involving in activities of outsourcing and offshoring. This has brought the author a true view and helped the author to appreciate the advantages, disadvantages, and the affairs of outsourcing and offshoring in Vietnam.

#### **3.3. SWOT analysis**

The analyzing SWOT matrix helps the author to indicate strengths, weaknesses, opportunities, and challenges in production organization of outsourcing and offshoring in particular and the integration of Vietnam economy in general. In addition to this, by means of the analysis the interaction between outsourcing/offshoring and integrity in the world of business in Vietnam is

manifested clearly. This is also the important basis in order to help the author suggest suitable solutions.

## 4. Research Result

### 4.1. Overview of outsourcing and offshoring

#### 4.1.1. What are outsourcing and offshoring?

Recently, outsourcing and offshoring are the two popular terms used in many countries in the globe, especially in LDCs. Basically, these two practices are usually done with the same principle: taking the full advantage of lower-cost labor force and other convenient conditions such as investment environment, taxation, infrastructure, subsidized energy, etc. in LDCs to help MDCs with efficient manufacturing based on the basis: both LDCs and MDCs have benefits. However, there is the difference between outsourcing and offshoring to some extent.

Actually, **outsourcing** refers to the practice in which companies move or contract out a few or all of their manufacturing or service operations such as research, calculating expenses, call center, data processing, payroll, and things like that to other companies that specialize in those operations (Greenhouse, MS Encarta 2009 and Friedman, 2005, p.115).

**Offshoring**, by contrast, refers to outsourcing when it 'involves the movement or contracting of those operations to foreign countries' (Greenhouse, MS Encarta 2009) or 'manufacturing outside the home country', so it is properly called 'offshore outsourcing'. In other words, offshoring means when a company, Samsung for example, moves one of its subsidiary companies with whole technology and equipment/machines from Samsung Town – Seoul (South Korea) offshore to Hanoi (Vietnam) in order to manufacture the same products in the same way with the principles mentioned above. Hence, it can be seen that offshoring usually involves more of the transfer of technology than outsourcing.

Although outsourcing and offshoring have existed for decades, their real development was marked in different time and situation. After the Y2K problem, more and more corporations have become

involved in outsourcing and India became the top #1 powerful country by outsourcing whereas ever since China joined the WTO (2001), it was known as 'heaven of offshoring' (Friedman, 2005, p.115).

#### **4.1.2. Specific roles of outsourcing and offshoring**

Globally, along with specialization in production, outsourcing and offshoring have made division of labour and shared capital, technology, and manufacturing techniques between MDCs and LDCs, narrowing the degree of development among countries and territories in the world.

For MDCs such as United States, Japan, EU, etc., outsourcing and offshoring have become very useful to saving spending, time, and human resources in production as well as contributing to enhance productivity and quality of products, and strengthening competitive ability. In addition, thanks to outsourcing and offshoring, these countries have convenient chances to spread and export their technology and culture into the rest of the world.

In the case of LDCs in general and Vietnam in particular, outsourcing and offshoring have brought a wave of great opportunities for the economy. Recently, Japan, Germany, United States, etc. have constantly poured their capital, technology, equipment and so on into Vietnam. This not only helps Vietnam easily approach the world's advanced technology and hoard capital, but also helps to give jobs for thousands of workers and improve the socio-economic situation of many provinces in the whole country.

Moreover, the development of those also sticks to the transparent world of business in which the integrity values are built and maintained adequately and the condition of corruption is maintained at as low levels as possible. Hence, the more outsourcing and offshoring develop, the higher degree of development of Vietnam will reach. This is because Vietnam must to try to make itself a better place for outsourcing and offshoring worldwide with clear investment environment, fair competition, advanced governance policy, and the more and more effective integration of the national

economy.

In the specific case of corporations and companies worldwide, that profit that outsourcing and offshoring bring them is quite remarkable in many ways. Specifically, outsourcing and offshoring help companies to save production costs due to lower-cost outsourcing as well as the companies not having to pay other expenses such as health-care costs, insurances, etc. Besides, outsourcing and offshoring also help those to minimize their work space – production areas, keep their manufacturing operated constantly, save time and ensure their products' quality as well.

## **4.2. Situation and potentiality of outsourcing and offshoring in Vietnam**

### **4.2.1. Vietnam's outsourcing and offshoring profile**

The development of outsourcing and offshoring depends much on the economic development strategies and government policies as well as the socio-economic conditions of each country. Based on size and degree of development, it can be seen that Vietnam's outsourcing and offshoring has grown throughout the following periods:

*Period before year 2000:* the activities of outsourcing were quite young and small in size and almost were "domestic outsourcing" due to many reasons. For example, the policy for attracting foreign investment was really not efficient, the quality of labour force was generally pretty low and the investment environment and conditions were not absolutely fair.

Offshoring practice, however, began prosperously with mechanical industry in which a mass of foreign corporations and investors had poured equipment, capital, and technology into the country in order to set up joint-venture companies or branches. Toyota Vietnam (established in 1995), Suzuki Vietnam (1995), and Honda Vietnam (1998) are good examples of this. In the case of the telecommunications industry, there had a few foundations of joint-venture companies such as Mobifone (1993) and HT Mobile (1997).

*Period of 2000 through 2005:* Vietnam was known as one of the most emergent economies worldwide although it still could not



yet join the WTO. In this period, outsourcing and offshoring was founded with a varied structure with many sectors. For example, for telecommunications there had HT Mobile and S-fone (2001); as for mechanical industry there was Suzuki (2001) and Honda (2006); for food and customer goods there were many big companies like Unilever (2000), Pepsi (2003), Coca Cola (2004), etc.

*Period of 2005 through 2010:* this was known as the period that the market of outsourcing and offshoring became more professional. The number of outsourcers and developed offshoring projects increased more and more, especially several projects such as Honda Vietnam Factory (located in Vinh Phuc province, in 2007), IBM Cloud Computing Center (Hanoi, 2008), Intel Chipset Vietnam (Saigon Hi-tech Park, 2010), Samsung Vietnam (Bac Ninh province, 2008), etc.

*Period from now to 2020:* this is being forecasted as the development boom of outsourcing and offshoring in Vietnam, making Vietnam the next outsourcing and offshoring hot spot, especially with software outsourcing in Asia. This is quite reasonable because Vietnam has a variety of strengths and advantages with regard to both natural and socio-economic conditions. Moreover, the wide-and-deep globalization trend is spreading quickly worldwide and the Southeast Asian region attracts strongly the world's practice of outsourcing.

Also, since 2010 the activities of outsourcing and offshoring in Vietnam have indeed become dynamic and satisfactory. In the case of outsourcing, more and more professional outsourcing firms such as FPT, CMC (Hanoi), TMA Solutions, Paragon Solutions Vietnam (HCMC), were recognized as CMMI – level 5, the highest level in 5-maturity level scale of CMMI, by SEI (USA). Like outsourcing, more and more investment projects have been registered and developed by great companies such as Nokia Vietnam Factory (Bac Ninh province – 2012), Compal (Vinh Phuc province – 2010), Panasonic (Hanoi – 2011), Tamron (Hanoi – 2012), etc.

Recently, growth rate and turnover of outsourcing and offshoring in Vietnam have had a sharp increase, especially outsourcing. Inside the practice of outsourcing, software outsourcing had had the highest growth with an average of 40% within 5 years before 2010.<sup>[11]</sup>



For inside structure of each sector, software outsourcing (ADM mainly), call center and BPO are the three most popular services and account for the highest percentage within the structure of outsourcing in 2010 (according to Tholons Group).<sup>[10]</sup> On the other hand, in the case of offshoring, its structure seemed to be somewhat varied although the highest percentage belongs to mechanical and fitting industries (car, motorbike, electronic components, and so on), customer goods and electronic industry.

In the short term, according to the Business World Journal (*bwportal.com*), call center/ call agency and payroll outsourcing will be the most popular outsourcing services in Vietnam. Not only does this trend meet the new development trend in the world of business in Vietnam (reducing the spending in production and condensing personnel), but it will agree with demand of the world's marketplace. As for offshoring, co-operations with regard to the electronic industry, telecommunication, and high-tech industry will be the latest trend and top priority in the country.<sup>(1)</sup>

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<sup>10</sup> Strategies for IT and Telecommunication development within period of 2010-2020 (by Ministry of Information and Communications) and Strategies for Vietnam's Industry through 2020 (by Ministry of Industry and Trade)

### 4.2.2. Potentialities and challenges for developing of outsourcing and offshoring in Vietnam

**Table 1. Analysis of strengths, weaknesses, opportunities, and threats (SWOT) for developing of outsourcing and offshoring in Vietnam**

	<b>Opportunities (O)</b>	<b>Threats (T)</b>
<b>SWOT</b>	<ol style="list-style-type: none"> <li>1. Globalization trend more and more popular and deep-and wide in production organization.</li> <li>2. Vietnam is member of over 63 international organizations such as ASEAN, WTO, AFTA, etc.</li> <li>3. Demands for outsourcing and offshoring will be more and more numerous and increase incessantly within next decades.</li> <li>4. The Southeast Asian region is being exciting marketplace for foreign outsourcing investors.</li> <li>5. Requirements of crowded, low-cost and qualitative workforce, and stable environment.</li> <li>6. Easy approach to modern technology and large amounts of capital from investors.</li> </ol>	<ol style="list-style-type: none"> <li>1. Severe competing against with other countries in cost and quality of labor force.</li> <li>2. Competing against in investment conditions and attracting foreign investments.</li> <li>3. Size and sales of outsourcing and offshoring in Vietnam are smaller than those in other countries (India, China, for example).<sup>[6]</sup></li> <li>4. Influences of the world's financial crises on outsourcing and offshoring investors.</li> <li>5. Environmental pollution and degradation more and more increase.</li> <li>6. Rick of brain drain and unemployment in the period of post-outsourcing/ offshoring.</li> </ol>

Strengths (S)	SO Strategies	ST Strategies
<ol style="list-style-type: none"> <li>1. Vietnamese labour cost is very cheap in compare with other countries (China, India, Israel, Russia...).[8]</li> <li>2. Vietnamese workers are generally virtue, literate and increasingly interested in technology.</li> <li>3. Refuse workforce with increasing quality as its golden population structure.</li> <li>4. Technological infrastructure networks more and more modern.</li> <li>5. Government's policies and strategies for the development of outsourcing and offshoring.[14]</li> <li>6. Overseas Vietnamese helps introduce the benefits for outsourcing to Vietnam.[8]</li> <li>7. Stability in Vietnamese political environment.</li> <li>8. Being one of the biggest and the most potential customer markets in the region.</li> </ol>	<p>S1,2,3,5,7,8 + O2,5: Set up attraction foreign investment and encouragement domestic the development of outsourcing and offshoring.</p> <p>S2,3 + O5: Create good conditions in order to encourage and help workers to participate in outsourcing/ offshoring market.</p> <p>S6 + O1,3,4: Set up suitable strategies to introduce worldwide the benefits of outsourcing to Vietnam.</p>	<p>S1,2,3 + T1: Continue to enhance the quality of workforce.</p> <p>S5,4,7 + T2: Make flexible policies for investment attraction in order to compete efficiently.</p> <p>S5 + T5,6: Set up foundation and strategy for sustainable development in the long term.</p> <p>S5 + T3: Encourage to extend in-country outsourcing firms' activities and make association among them.</p>

<b>Weaknesses (W)</b>	<b>WO Strategies</b>	<b>WT Strategies</b>
<ol style="list-style-type: none"> <li>1. Vietnamese workforce has several weaknesses, e.g. low quality, foreign language ability, teamwork skill, etc.</li> <li>2. Roles of outsourcing and offshoring have not yet received the proper concerns of policymakers and young employees.</li> <li>3. Most outsourcing firms are small businesses and there have no corporation among them.</li> <li>4. Administrative formalities and organization governance are still underdeveloped and make obstacles for the development to some extent.</li> <li>5. Corruption and infringement copyright and things like that are still the remarkable problems.</li> <li>6. Lack of policies and strategies for the sustainable development and efficient competition of outsourcing and offshoring.</li> </ol>	<p>W1,2 + O1,3,6: Propagandize and disseminate the information of globalization in general and outsourcing/offshoring in particular in order to help students and young workers choose suitable jobs for themselves.</p> <p>W4,5,6 + O1,4,5,6: Intensify the reformation of administrative governance efficiently, prevention of corruption, protection intellectual property rights, dominating inflation, etc. as well as consolidation domestic and foreign investors' confidence.</p>	<p>W1,2 + T1: Reform education system effectively and enhance the quality of training of working.</p> <p>W4,5,6 + T2: Modernize administrative governance and minimize</p> <p>W4,5,6 in order to avoid T2.</p> <p>W6 + T5,6: Consolidate and modernize policies for environment protection and set up suitable solutions in order to ensure that most workers will be not unemployed in the post-outsourcing/offshoring.</p>

### **4.3. Roles and impacts of outsourcing and offshoring on building and maintaining the integrity values in the world of business in Vietnam**

For a long time, integrity always has been one of the most important factors that make up social ethical standards and human moral values. In the past, Vietnamese people were of the opinion that “a clean hand wants no washing.” This opinion has guided every one, especially government officials, in the society to transparent actions and straightforward lifestyle.

Nowadays, the concept and role of integrity have changed a lot in Vietnam. Integrity has been a measure for personality of every one in the society, from young people through retired civil servants. The appearances of integrity are different among people depending on their social position. A student is recognized as a clean-fingered man if he does not cheat on any exam, does not tell lies, and dares to be responsible for his mistakes. A worker has integrity if he always works punctually, finishes his tasks as well as possible, does not falsify the accounts as well as gets ready to be responsible for damages he did make. If a leader wants to be a clean-fingered civil servant, he knows he must keep promise, do his task well with transparency and impartiality, not lose the public expense or get corrupted in the courts of his duty, and must be accountable to the public for goings-on.

Thus, it does not matter whether you are a student or a leader, in current society you always must have integrity which is made up of competence, ethicality, accountability, and lack of greed for what does not belong to you. These are measurements for ethicality and personality of each person in the society today.

It is important to note that integrity also plays a great role in the development and global integration of Vietnam’s socio-economy. Before 2006, the integrity values almost did not received the proper care in Vietnam. As a result, lack of integrity in organization governance had led to corruption boom in many fields, especially in economy. Several corruption scandals were discovered by the government such as EPCO-Minh Phung (in 1997), Project 112 (2005), and PMU18 (2006).

[13]

Since 2006, the period at which outsourcing and offshoring really developed in Vietnam, the integrity values have received proper care from the whole society and the Vietnamese government has tried hard to build a society of integrity. The result, however, has been unappreciable up to now and Vietnam is still a nation with high levels of corruption. According to Transparency International (TI), the results of the corruption perceptions index of Vietnam from 2001 through 2010 were always just under 3.0/10. Within the last two years, the Vietnam's corruption perceptions index had slightly raised from 2.9/10 (2011) to 3.1/10 (2012)<sup>(2)</sup>. This is actually the remarkable challenge to Vietnam's economic development and integration worldwide.

So, why have integrity and corruption been main concerns in Vietnam? The answer is that globalization in general and outsourcing and offshoring in particular are the most outstanding causes. In the world that becomes flatter with every passing day, a nation that wants to be developed must base on outsourcing and offshoring as their great roles (see the section of 4.2.2). However, results of SWOT analysis indicated that in order to develop outsourcing and offshoring strongly, Vietnam has to strive much for grabbing investors and making confidence to stakeholders.

Each nation has different strategies for development and investment attraction, but most will agree that building and maintaining integrity values are really the key solutions. This is because integrity is central to building other policies and strategies. In other words, integrity values are major bases help the government's remedies and strategies to be done well. Many countries such as Democratic Republic of the Congo, Angola, Myanmar, Venezuela, Cambodia, Laos, where natural resources are generally plentiful, are discreetly concerned by investors because of high levels of corruption and lack of integrity in organization governance no matter how they try to encourage and invite.<sup>(2)</sup>

On the contrary, in countries, Singapore and New Zealand for example, with low levels of corruption and high integrity values in governance, investors will find confidence and security and would

<sup>2</sup> Learn more at [www.transparency.org](http://www.transparency.org) (<http://cpi.transparency.org/cpi2012/results>)

like to pour capital into those countries. Therefore, it can be seen that firstly outsourcing and offshoring actually has been motivation to help Vietnam promote activities of building and maintaining the integrity in organization governance and corruption control as well.

Secondly, outsourcing and offshoring will help to reflect the situation of lack of integrity in administrative governance – bureaucracy and corruption to be more exact. Foreign investors, for example, will try to prove the role and importance of projects they are planning to invest, but in small doses. Instead of this they attempt to make as good of a relationship as they can with local authorities and civil servants. As a result, their projects will be accepted easily even though the projects can cause harm or threat to local environment.

Thirdly, competition in the outsourcing market will indicate how Vietnam's economic competition ability and integration are today. More and more countries are participating in market place of outsourcing and offshoring; therefore, the competition among countries worldwide is severe indeed. As a result, the higher the growth of outsourcing and offshoring, the higher the competitive ability of the country and vice versa.

In addition to this, the sustainable growth of economy in general and outsourcing and offshoring in particular involves the factor of fair competition in the world of business. This is brought by globalization and means both domestic and foreign outsourcing firms have to share the same benefits for production from government. Thus, they have to survive by their own capability instead of waiting for favors from authorities. This will bring policymakers the option that either they will intensify building and improving the integrity values in order to receive sustainable economic development or continue to ignore bureaucracy and corruption so that they receive nothing more from investors in the short term.

Finally, along with education environment, outsourcing and offshoring will partly reveal the opinion of Vietnamese workers about integrity and corruption; they are also two of the most major environments for educating, building, and maintaining the integrity values. According to the TI, most of the Vietnamese young people

surveyed say that they are aware of integrity and understand the negative impact of corruption, and the great majority of them also think that being honest is more important than being wealthy or increasing family income (95 and 91 percent respectively).<sup>[11]</sup> Although most Vietnamese youth have a clear sense of right and wrong, they are unlikely to resist corruption and ready to compromise their values when faced with corruption in their daily lives. This reflects lack of understanding with regard to integrity values in Vietnamese young people who account for over half of the nation's population and have the potential to stop corruption both as today's citizens and tomorrow's leaders.

Therefore, it can be seen that educating and building the integrity values in the world of outsourcing and offshoring are realized well then will spread out to other sectors in the society, contributing to improving the integrity and anti-corruption in the whole country.

#### **4.4. Solutions for sustainable development of outsourcing and offshoring as well as improving the integrity values in Vietnam's business environment**

Although the Vietnamese government has determined to improve the integrity and corruption control, the result is not satisfactory at all and it is noteworthy that Vietnam has still been ranked as one of nations with the high levels of corruption worldwide. The main reason is that anti-corruption policies in Vietnam, like many other countries, are "similar to satirical literature" – meaning that the government does see the situation of corruption but cannot find the suitable and effective solutions to solve the problem (Mr. Nguyen Dang Trung, member of Parliament).<sup>[12]</sup>

Based on the results of SWOT analysis and other factors, the author suggests the following remedies as the way to help develop economy strongly as well as strengthen building and maintaining the integrity values in the world of business in Vietnam.

##### **4.4.1. Solutions for sustainable development of outsourcing and offshoring**

Firstly, the government should attach special importance to



enhancing the quality of workforce training, especially vocational training, in professionalization (especially with regard to competence, virtue, industrial behavior, teamwork skills, foreign languages and computing ability, etc.) in the strategy of comprehensive reform in Vietnam's education system, so that the quality of the workforce is changed essentially and positively. As a result, the ability of Vietnam to compete with other countries worldwide for quality of labour will be improved and strengthened effectively.

Secondly, it is necessary to set up a specific strategy in order to help develop outsourcing and offshoring strongly. This means the government has to build more policies in order to help domestic market of outsourcing and offshoring, e.g. policies of financial support for outsourcing firms, policies to attracting foreign offshoring investment, strong policies for environmental protection, and policies of social security for workers in offshoring factories.

Thirdly, as for administrative governance, the government should step up administrative reform in order to make a transparent environment for investment, take more and more drastic measures to prevent corruption, protect technology-science copyright, control inflation, and stabilize macroeconomics because those are the remarkable problems in the world of investment in Vietnam.

Fourthly, continue to promote career guidance to high school students, who are perspective labours, in order to help them determine suitably their jobs, encourage them in participating into activities of outsourcing/offshoring. This will help to solve the state of unemployment as well as reduce the state of "excess of masters, lack of skilled workers" in society today.

Finally, it is noteworthy that Vietnam has no efficient method to broadcast its potential benefits for outsourcing and offshoring in comparison with many other countries like Malaysia, Russia, Israel, etc., actually. Therefore, it is necessary to set up a policy and implementation strategy in order to step up the introduction Vietnam's potential for outsourcing and offshoring, helping foreign investors to be aware of convenient chances for investment and contributing to enhance Vietnam's competition ability with other countries.

#### **4.4.2. Barriers which challenge to building and maintaining the integrity values in the world of business in Vietnam**

It is important to note that in order to implement the cues for sustainable development of outsourcing and offshoring firstly the government must care about the integrity values. In other words, unless building and maintaining the integrity values receive the proper care in the society, from the government to be more exact, the solutions for sustainable development of outsourcing and offshoring will not be implemented effectively. However, in fact, there are a wave of challenges to building and maintaining the integrity values inside business environment in Vietnam as follows:

- First of all, the sense of most people about integrity is limited to some extent. They consider integrity as idealistic and occasionally impractical. In other words, most of them are of the opinion that integrity values will not be able to be created in the “material world” today in which everything can be bought by money. A great number of Vietnamese people have a clear sense of right or wrong and understand role of integrity and the negative impact of corruption, but they are ready to compromise their values when faced with negatives and corruption in their lives.

About 38 percent of graduates, according to TI, are ready to pay a bribe to get into a company instead of relying on their competence.

<sup>[11]</sup> More and more businesses consider receiving bribes from applicants as an “indispensable rule” in their recruitment. For their turn, many companies consider it acceptable to bribe their way to better investment conditions despite fair and transparent competition. In this way, a circle of corruption is made and it seems to be difficult to break down.

- The second barrier is that there are few information channels and organizations that specialize in integrity and anti-corruption in Vietnam. Transparency International and Vietnam Government Inspectorate are famous organizations with regard to fighting corruption, but unknown to most people actually, especially workers in enterprises. As a result, they have not enough information and awareness of integrity as well as no support in order to fight

corruption and protect integrity values. This is why the majority of people think that they faced corruption and negative but they cannot denounce.

- Finally, building and maintaining the integrity values in the world of outsourcing and offshoring depend on many other factors, but the most important factor is fair competition. Although the Vietnamese government has attempted to ensure that all business competitions are transparent, lack of integrity and high levels of corruption have made the world of business generally unfair.

#### **4.4.3. Solutions for building and maintaining the integrity values and fair competition in the world of outsourcing and offshoring in Vietnam**

According to the analyses above, it can be seen that the barriers themselves have affected strongly building and maintaining the integrity values in the world of business in Vietnam in general. This makes great challenges for the sustainable development of outsourcing and offshoring in Vietnam in many ways. Based on those, the author recommends several remedies as follows:

- Firstly, promote propaganda about integrity in the society in general and workers in enterprises in particular in order to help them with awareness of the roles of integrity, interests and obligations of everybody in protecting integrity and fighting corruption in their workplace.
- Secondly, it is quite important to found an organization for integrity and anti-corruption. This organization can be either government or non-governmental and its major role should be to provide information about integrity and anti-corruption for the people, especially workers. Moreover, the organization has to play a role of bridge between workers and anti-corruption offices, helping and supporting them legally, so that they feel confident and secure in order to prevent corruption and build a transparent workplace.
- Thirdly, all employees are entitled to oversee their leaders' activities in order to ensure that their leaders keep promise and transparency. This not only produces equality and reduces the

gap between employees and employers but also helps the leaders realize they have to be accountable, competent, ethical, and corruption control. As a result, corruption will be reduced while transparency is strengthened.

- Finally, the government should build and maintain fair competition in society in general and in business in particular by strengthening administrative reform in more and more simple and up-to-date. Realities of life indicate that complicated administrative formalities are the good conditions to create corruption and non-transparent business environment. Taxation, customs, and real estate are sectors in which corruption easily occurs most. Therefore, the government must pay special attention to them in order to control corruption effectively.

## 5. Conclusion

The results of this paper indicate that outsourcing and offshoring not only bring great opportunities for the growth of Vietnam's economy but also influence greatly the building of a fair and transparent world of business in Vietnam. In fact, there is always the relationship of interaction between outsourcing/offshoring and integrity: the higher level of corruption, the higher unfair competition. In other words, if the integrity values are not built and maintained well, the development of outsourcing and offshoring will be threatened by severe competition of other countries and as a result, the national economy will be slack and not able to integrate.

Consequently, the strategy for sustainable development of socio-economy in general and outsourcing and offshoring in particular should be always associated with the solutions for improving the integrity values in the world of business in Vietnam.

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# **The Role of Locus of Control on Management Accounting Information System, and its Implications on Managerial Performance**

**(In order to establish the integrity values of business)**

Veronica Christina

## **Abstract**

*Currently, intensive global competition, and pervasive changes are to be faced by the company continuously. Companies that can deliver better value for the customer will be superior in this competition. In order to create a better value for the customer, managers need information that has attributes: broad scope, timeliness, aggregation and integration. Such information can be generated by the Management Accounting Information System (MAIS). When manager has strong belief (personality) that his/her success is depends on him/her, the MAIS that being used by the manager would guide and help him/her to accomplish the task. Such personality is known as internal locus of control. The purpose of this study is to determine the ability of locus of control in explaining the variation in management accounting information system and its implications on the managerial performance. The study was conducted in manufacture industry companies listed on the Indonesia stock exchanges. In this study, individuals as the unit of analysis, they are top manager, production manager, and marketing manager. Data were collected through mail survey, 204 managers used as sample. Structural Equation Modeling is used to test the research hypotheses. The result of this study shows that the entire manifest variables are reflecting their latent variables it is mean that the instrument used in this research valid. This study found that internal locus of control can explain the variation in management accounting information system and ultimately be able to explain the variation in managerial performance.*

**Keywords: Locus of Control, Management Accounting Information System, and Managerial Performance**

## 1. Introduction

How users (people) behave consistently in a variety of situations is called personality. Personality is an individual characteristic that leads to consistent differences in individual behavior (Nelson & Quick, 2006). One of the personality characteristic of people in organization is locus of control (LOC) (Miller & Toulouse, 1986a; Miller, Vries & Toulouse, 1982). LOC is a construct of individual differences, which is refer to a common belief about internal control and external control. People with Internal LOC see themselves as active agents, feel that they are the master of their fate and believe in their ability to affect the environment. In contrary, people with external LOC see themselves as relatively passive agents and believe that events in their lives is merely caused by forces beyond their control (Rotter, 1966). More specifically, it is said that a person with an internal LOC is not only more efficient in processing information; they tend to gather information relevant to the expected results. This is because they better understand the information that is relevant and irrelevant (Davis & Phares, 1967, and Lefcourt, 1982).

Previous research related to the relationship between locus of control and performance, relatively not much. Nevertheless, these studies found that firms led by managers who have an internal LoC have better performance compared to firms led by managers with an external LoC (Boone, Brabander, and Witteloostuijn, 1996). However, research by Ven, Hudson and Schroeder (1984) and Brockhaus (1975) fail to be generalized, thus not be concluded that the performance of internal CEOs, better than external CEOs. This shows that the LoC alone is not sufficient to explain the variation in performance, therefore a person, who has personality, internal LOC require relevant information to be able to take the right decisions. The information is generated by a system known as management accounting information system.

According to Hansen & Mowen (2003) information system that produces output using inputs and processes needed to meet specific objectives of management, is a Management Accounting Information System (MAIS). Particular purpose, among others, may

be determining the product cost, short-term decision making and long term planning and control (Hansen & Mowen, 2003).

The general characteristics of the information generated by the MAIS, which is necessary for decision-making by Chenhall & Morris, (1986), ie that all information has a scope (scope of the information presented may be narrow or wide), timeliness (information can be received on time), aggregation (information may be detailed or gathering) and integration (information can be separate or integrated). Research needs to look at the impact of various characteristics of MAIS's information on the performance of managers. It is expected that will improve the ability to understand the type of MAIS's information appropriate in many situations and will ultimately increase the likelihood MAIS's information assist managers in organizations facing environmental uncertainty to improve their performance (Chenhal & Morris, 1986).

Industry manufacture listed on the Indonesian stock exchange is an industry sector that has a significant contribution to the Indonesian economy. However the industry is performing poorly. Given the importance of manufacturing industry sector is of course necessary to find solutions to the problems facing.

Based on the above presentation, the poor performance is expected to be enhanced by selecting managers who have an internal locus of control personality. A manager who has the personality of an internal locus of control will be able to select the relevant accounting information and ultimately the performance of the manager is going to be better.

## **2. Literature review**

### **2.1. Locus of Control**

Personality is an individual difference, which shows the behavior of a person who tends to be consistent. Personality is defined as a stable set of characteristics that influence a person's behavior (Nelson & Quick, 2006). There are hundreds of personality characteristics include locus of control.



Rotter (1966) developed a construct that show individual differences in a common belief that the internal and external control of the reinforcement. Someone with an external locus of control see themselves as a relatively passive agent and believe that events in their lives related to the strength that cannot be controlled, externally felt that to achieve the things they want to depend on luck, chance and the power a person or situation. They believe that the possibility to control their lives through their own actions and efforts are low. Instead a person with an internal locus of control see themselves as active agents, feel that they are masters of their own destiny and confidence in his ability affect the environment. Internal assume that they can control events in their lives through the efforts and expertise.

Internal LoC is a manager's personality traits that are very important (Begley & Boyd, 1987; Brockhaus, 1975; Littunen, 2000; Miller & Toulouse, 1986a; Pandey and Tewary, 1979). The higher internal LoC a manager the higher the quality of the manager. Pfeiffer (1991) formulate characterize someone who has a high internal LoC, namely: (1) believing that he alone can influence the factors that cause things to swoop through the ability, expertise and his own efforts, (2) like research, be curious and have expertise information processing, (3) do not like being forced, (4) always used his power in the belief that he can influence, (5) is not easy to admit that he is facing a problem, or has shortcomings because he feels that no one else can help, and (6) it is easier to rise from failures. Pfeiffer (1991) in addition to the above characteristics that someone who has formulated internal LoC, more realistic like the job, have the ability to solve problems, are more satisfied with job training, higher tolerance to work, preferring to work in team, and more aware of the work run, has a personal objective and willing to accept greater responsibility, depending on personal encouragement, and love the friends who have the same capabilities or smarter. Research conducted by Patten (2005) suggests that internal auditors with an internal LoC tend to have better performance than with an external LoC.

## Management Accounting Information System

Management accounting information system (MAIS) is seen as a way of collecting, classifying, summarizing, and reporting information that will help managers make decisions and control activities (affecting the decision). The system is considered as an economic good whose value must be greater than the costs. (Feltham, 1978; Demski & Feltham, 1976). MAIS is intended to establish and maintain records of the relevant events that can be used to measure the earnings and financial position, to assess performance in accordance with the goals and preparing for management, appropriate incentives with performance. The system is also intended to prepare the data for managers to control costs, identify problems, determine alternatives for solving the problem and select the solution that will be implemented. (Otley, 1980.)

Previous description shows that MAIS works with the capabilities of stirring every corner of the organization, establish cross-checks, resulting in confirmation for any suspicion, dismantle all that is not good practice and prepare information for the achievement of the goals and incentives. Vancil, 1979 in Sweiringa & Moncur, 1972 identify characteristics that are believed to show why MAIS is so powerful. First, the system has an inherent integrity that cannot be questioned by the operations manager, because the accountant has a detailed set of rules, which ensure that each the same transaction, will be recorded in the same way. Management accounting information system provides a set of detailed rules set by the organization itself. Second, MAIS is comprehensive and covers the entire organization. Accounting collects all the activities of the organization and expresses it in the form of finance that allows for comparison. Collection can be modified and broken down into levels according to the wishes of the manager. Third, every business organization should have a system of accounting. This system solidify the reality, that the data should not be ignored. Fourth, the accounting system is set up a way that enables managers to gain new insights that can be brought into their business.

Changes occurring in the business world such as: increased

of market competition, the development of modern production technology, loose management model and changing of customer behavior, not only makes the need for MAIS increased, but also needed a MAIS with better quality and sophisticated (Agbejule, 2005; Chenhall & Morris, 1986; Chong & Eggleton 2003; Grandlund & Lukka, 1998; Lucas, 1978). Studies that support the statement conduct by Chenhall & Morris, 1986; Gull, 1991; Gull & Chia, 1994, found that advanced MAIS useful in a high levels of environment uncertainty

Chenhall and Morris (1986) tried to find the characteristics of MAIS that are potentially useful for managers. They say that the information needed to make decisions can be expressed in a general characteristic. They propose that each item of information should have the following characteristics: scope, Timelines, level of integration, and the level of aggregation.

Previous studies on the MAIS - performance focus on one or two characteristics of MAIS, such broad scope (Chong and Chong, 1997), aggregation and broad scope (Gull & Chia, 1994), broad scope and timeliness (Tsui, 2001), while MAIS composite measurements have been used in the research of Gull, (1991). This research used four MAIS characteristics as used in the study of Chenhall & Morris (1986) and Soobaroyen & Poorundesing (2008).

## **2.2. Managerial Performance**

Managers in managing the company are required to produce a performance that makes the organization as a wealth-creating institution. Managerial performance is a factor that can increase the effectiveness of the organization. According to Mahoney, Jerdee and Carroll (1963) in Soobaroyen and Poorundersing (2008), the meaning of managerial performance is the performance of the individual members of the organization in managerial activities includes: planning, investigating, coordinating, evaluating, supervising, staffing, negotiating and representation. Managerial performance is more abstract and complex than the performance of employees in general. Therefore, to assess the manager's performance should

be done by the managers themselves.

Asking employees to self-rating may be a useful technique if the goal is to develop a self-evaluation further. There are several reasons the use of self-assessment which is an opportunity to participate in the process of performance control, especially when combined with the determination of objective assessment (management by objectives), increase motivation and reduce rejection during the interview assessment (Simamora, 2002).

### **2.3. The Relationship between Locus of Control and management Accounting Information System**

Davis and Phares (1967) hypothesized that people who have an internal locus of control have a strong general expectation that reinforcement will depend on their behavior, they will look for more relevant information to control the situation. Even internally not only looking but will use this information in a manner superior than the external.

The design of MAIS needs to consider the involvement of users, as well as the implementation of MAIS. Individual differences are seen from the LoC should also be considered when designing of MAIS (Fisher, 1996; Zmud, 1979) due to individual differences affect how managers use information. Especially LoC has been used to explain the way information is perceived and processed (Brownell, 1981; Fisher, 1996; Hyatt & Prawit, 2001, Mia, 1993; Tsui 2001). The research of Zmud (1979) found that LoC positively influence the design of the accounting system. Furthermore Zmud (1979) stated that internal LoC may affect the success of information systems either directly or indirectly.

### **2.5. The Relationship between Management Accounting Information System and Managerial Performance**

The main purpose of MAIS is to prepare accounting information will be used to facilitate managers in decision making. Previous studies (Chong, 1996, 1998; Mia, 1993; Mia and Chenhall, 1994) demonstrate empirically that the role of MAIS to facilitate decision-making can improve managerial performance.

Told by Jensen and Meckling (1992) variable information is the key to maximizing the value (ie managerial performance), because the quality of decision-making is determined by the quality of information available to decision makers. There are two ways to transfer information and make the right decisions, namely: using information systems such as MAIS, or transfer right decisions using the knowledge. Told by Chenhall and Morris (2003) that the use of each dimension of MAIS is part of the organization's information systems and managers can use a variety of MAIS to help her deal with uncertainty which can increase performance.

## **2.6. The Relationship between Locus of Control and Management Accounting Information System and Its Implication on Managerial Performance**

LoC not only affects organizational performance directly but also indirectly, through business strategies (Boone, Brabander, & Witteloostuijn, 1996). Patten (2005) suggests the need for an intervening factor to explain the relationship between the performance of the LoC. Research conducted by Suhairi (2004) in a simple industry in Indonesia found that managers with internal LoC have a significant relationship with investment decisions (using MAIS), which in turn enhance the performance of the company.

## **3. Hypothesis**

Based on theoretical framework that has been described above, it can be formulated hypothesis, as follow :

- H1: Locus of control has significant effect on management accounting information systems
- H2: Management accounting information system has significant effect on managerial performance
- H3: Locus of control has significant effect on management accounting information system and has implication on managerial performance

## 4. Methodology

The data of this study is the primary data, obtained by distributing questionnaires to 453 managers (top, production and marketing) manufacturing industries that are listed on the Indonesia Stock Exchange. The data can be processed as sample is 204 questionnaires. This study uses explanatory in order to explain the relationship between variables

## 5. Research Result

The results of this study suggest that managers of manufacturing industries company listed on the IDX have internal personality LoC (the average score of answers 5.61). While management accounting information system perceived by managers, provide enough information which can be used to assist their work. It can be seen from the average score of 4.89 total answers. Performance manager measured from management functions, perceived relatively well. These conditions can be seen from the value of the average total score of answers by 5:59.

The results of processing data using structural equation modeling and LISREL software shows that model is plausible or fit based on the data obtained in the study. The results also show that the dimensions significantly reflect each latent variable, which means that the instrument used in this study is valid and reliable. Hypothesis testing showed that

**Table 1. The influence of exogen variable on endogen variable**

Discription	Wieght	t statistic	Result
The Influence of LoC on MAIS	0.38	4.73	Significant
The Influence of MAIS on MP	0.52	4.77	Significant

### 5.1. The Relationship between LoC and MAIS

The findings of this study is that the LoC could explain significantly variations MAIS. This means, the higher internal LoC of the manager, **the higher the ability to choose** the relevant

accounting information system to help carry out their responsibilities. This research is in line with Zmud (1979) who found that locus of control affects positively on the accounting system design.

The study found that managers of manufacturing industries company listed on the Stock Exchange has a personality that tends internal locus of control. This finding means that the managers have a high quality, as proposed by Begley & Boyd, 1987; Brockhaus, 1975; Littunen, 2000; Miller & Toulouse, 1986a; Pandey and Tewary, 1979, that internal LoC is an important personality trait, the higher internal LoC a manager, the higher the quality of the manager. It happened because **someone who has internal LoC** has characteristics as follows: **(1) believing that he can influence the factors that cause things happen through the ability, expertise and his own efforts, (2) like research, to be curious and have the expertise to process information, (3) do not like being forced, (4) always used his power in the belief that he can influence, (5) is not easy to admit that he is facing a problem, or has shortcomings because he feels that no one else can help; and (6) it is easier to rise from the failure (Pfeiffer, 1991)**

## **5.2. The Relationship between MAIS and Managerial Performance**

This study found that MAIS was able to explain the variation of managerial performance. This suggests that the more relevant MAIS helping each management function, the higher managerial performance. The results of this study support previous studies among others conducted by Abernethy and Guthrie (1994), Chong and Chong, (1977), Chong (1996, 1998), Mia (1993); Chenhall and Morris (2003), Mia and Chenhall (1994). This study is also in line with research Soobaroyen & Poorundesing (2008), who found that the four characteristics of information MAIS have significant effect on managerial performance, their research was also carried out in developing countries.

The study also found that MAIS of manufacturing companies listed on the Indonesia Stock Exchange as perceived by managers

adequate when viewed from the average score of responses to questionnaires. Characteristic information is broad scope relatively good, the information is Timelines, relatively good, and the integration of information that is relatively better, while the aggregate of information is relatively better than the others. Basically MAIS facilitate management through information generated and prepared to make a decision (Chong and Eggleton, 2003), and MAIS intended to improve the quality of decision-making that produces a better choice of action (Sprinkle, 2003).

Based on the description above, the manufacturing firms need to increase the availability of MAIS both broad scope, timeline, integration and aggregation that can help management to take a decision on any management functions are the responsibility of them. Managers of manufacturing firms listed on the Indonesia Stock Exchange must obtain a correct understanding of MAIS in order to effective performance.

### 5.3. The Relationship between Locs of Control and MAIS and its Impication on Managerial Performance

The results showed that Loc directly influence managerial performance of 0.19 whereas if through MAIS effect of 0.20 as shown in Table 2 following.

**Table 2. Indirect Relationship LoC on Managerial Performance**

The influence of exogen variable on endogen variable	Direct	Trhough MAIS	Total
The influence of LoC on MP	0.19	0.20	0.39

The results showed that the LoC through the MAIS has significant effect on managerial performance. This can be interpreted if the managers personality in line with expectations, and MAIS produce information that is relevant to management needs in decision-making, then the manager performance will be good. The results are consistent with research of Klein et al. (1994) that the MAIS an organization set up similar information for all of the manager, MAIS can explain the variation in the performance of the individual



only if there are differences in the individual of manager (eg, knowledge, and personality), that cause them to respond differently to management accounting information, and ultimately have an impact on their performance.

## 6. Conclusion

Based on the research, discussion, and theories that have been presented, it can be concluded as follows.

- (1) The managers of manufacturing companies listed on the Indonesia Stock Exchange perceive that they have relevant and adequate MAIS. The availability of relevance MAIS is influenced by LoC. This is understandable because the personality of the managers of manufacturing industries have a more internal LoC tendency, they more able to select relevant information than the external LoC. Internal LoC personality also has the ability to plan their work well and of course this requires the relevant information systems to implement those plans. Managers who possess internal LoC feel confident that their success determines by them self; therefore they will fight well in any condition to achieve their goals.
- (2) Management accounting information systems has a great ability to explain variation in managerial performance. It shows that for a decision, it requires the support of information systems, which is able to produce relevant information for management. Descriptive analysis results indicate that MAIS perceived enough, by the managers of manufacturing industries listed on the Indonesia Stock Exchange. Given the importance of MAIS in solving the problems faced by manufacturing firms, it should be pursued to improve the availability of relevant information from the MAIS.

## 7. Suggestion

Based on the findings and discussion, it can be formulated as follows suggestions,

- (1) Given the importance of internal LoC personality both in the

development or selection of management accounting information systems and the effectiveness of managerial performance, so when selecting managers should be emphasized that managers should have an internal LoC personality

- (2) Management accounting information system that generates information for management to carry out their responsibilities in managing the company's need attention, in order to obtain an adequate MAIS produce information that are broad scope, timeliness, aggregation and integration. It is expected that managers perform their responsibilities based on information produced by management accounting information systems are able to build valuable business integrity.

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# Integrity PT. Astra International Through The Role of Co- Responsibility In Education

Case Study: CSR Education PT. Astra International

Liza Dwi Ratna Dewi

## Abstract

*The aim of this research is to outline and explain comprehensively how PT Astra International's integrity in running corporate social responsibility in education sector. Social contract theory which is rooted in Plato thought, wroted by Thomas Hobbes and developed by John Locke is used as a tools to analyse the data in this research. The method of this research is qualitative case study. Primary data are collected by depth interview and observation whereas secondary data are collected by literature study that related to the topic. Research result indicates that PT Astra International prove their integrity in running CSR in education signing by statement "to be an asset to the nation" at the first from four corporate philosophy; starting CSR in education since 2006 and have a long-term plan until 2020. From this data can be said PT Astra Internasional is social offender who has responsibility to obey laws of nature stemming from Plato thought, which states: parties that takes something from society or nature, obligated restore a part of that, in order to maintain the regularity natural law.*

**Key words: Integrity, Corporate Social Responsibility, Education**

## 1. Introduction

The company as an organization that aim to make profit from products that produced, should also think of stakeholder interests. The company's commitment to restore a portion of the profits they earn, will give a reciprocal relationship of harmonious and positive impact for the company. The demands of the activities of Corporate Social Responsibility (CSR) is defined in the Limited Liability Company Act 40 of 2007 Article 74 paragraph 1 provides: "The company who runs his own efforts in the areas or activities related to natural resources required to carry out social and environmental responsibility". So, this Act makes social responsibility (CSR) is one of the company's programs.

PT Astra internasional Tbk as a go public company already aware of this responsibility before this act applied. Company which started as a trading company in 1957, now has six areas of business, namely: Automotive division, heavy equipment division, agribusiness division, technology division, and infrastructure division. PT. Astra international starting CSR activities since 1979 in health sector as applying triple bottom line namely the balance three pillars: environment, social, and business. In the early 2002-2003 CSR is a new term and develops in the name of Environment Social Responsibility (ESR). Then top management of Environment Social Responsibility Division, deepening the CSR activities. The existing ESR programs of PT Astra internasional repacked and send back to society. PT Astra internasional trying to be an asset to the nation by stressing three basic approach: planets, people and profits. These three approaches are embodied in four field of activity, namely: (1 ) education, (2 ) environmental, (3) health, (4 ) small and medium enterprises. In these 4 sectors, education everlastingly main merit attention.

Based on background describe above, our problems research is formulated to: how integrity PT. Astra International in running corporate social responsibility in education sector? (Case Study: CSR Education PT. Astra International).

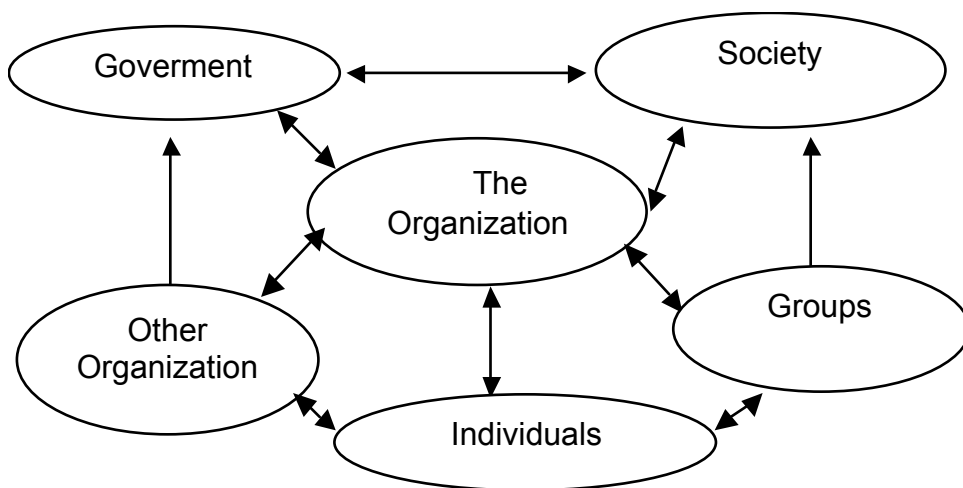
## 2. Literature Review

### 2.1, Social Contract Theory

The social contract theory that rooted from Plato's thought works would later be formalised explicitly by Thomas Hobbes and developed by John Locke who stated that,

Basically the form and nature of the social environment are apolitical, where social actors have a responsibility to comply with the laws of nature are already organised, the regularity of natural law, the obligation to keep the society through the social contract to prevent individuals from being distorted and violated the law. Social Contract built and developed, one of which was to explain the relationship between companies and society. Here, the company (or any other form of organization) has a duty to the public to give the benefit of the local community. Social Responsibility is corporate social responsibility towards society and the environment, as a result of direct or indirect presence of the company. (Soemirat and Elvinaro: 2003: 114)

Company or organization have an obligation to society and social responsibility towards social environment. Crowther David a professor of corporate social responsibility and head of centre for research into organisational governance give illustration contract social as follows:



**Exhibit 1 Crowther David's  
Social Contract Illustration**



From the Crowther David illustrations above researchers understand that the organization, government, society, groups, individuals, and other organization interconnected centered on an enterprise or organization. Hence, to keep the regularity of the laws of nature are the parties that are inside them need to do social contract directly or indirectly.

**CSR Definition.** The World Business Council for Sustainable Development (WBCSD) define CSR or corporate social responsibility, as "Continuing the commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. (Wibisono, 2007: 7)

**The role of corporate social responsibility.** About the role of CSR, Kotler and Lee (2011 ) argue, "Corporate social responsibility is a commitment to improve well-being community through discretionary business practices and contributions of corporate resources." (Hadi, 2011: 90)

**Assessment indicators of CSR activities.** An judged successful CSR programs when such programs have advantages for the community, in line with the values that exist in the community some indicators the basic assessment that is:

1. the relationship is reciprocal, meaning good relationships and generate mutual benefit or in terms of mutualisme material or imateri.
2. Openness, meaning a program expressed in a harmonious relationship between the two sides occurred the nature communications will open criticism, suggestions, opinions and so on.
3. Realistic Expectations and promising
4. The equation, i.e. between the tangle of relationships that hold communities, should sign or signal the determination somewhat sidelined, with the hope that more open communication and produce something that is "radical" the context of a shared prosperity
5. Structured, Identify that the relationship did not renew indiscriminate, but concerning the juridical or de facto of a community. (Elvinaro and Machfud, 2007: 56)



### 3. Methodology

Research methods used in this research is a case study method with a qualitative approach. "Research method that uses a variety of data sources (as much as possible data) that can be used to examine, describe and explain comprehensively of various aspects of corporate, individual, group, organization or program events systematically." (Kriyantono, 2007: 50)

#### 3.1. Key Informant

Rahmat Kurniawan . Position: Team Leader Environment-Social Responsibility (ESR) PT.Astra International. Based on the position and authority, Rachmat Kurniawan was the one who controlled the information relating to the research problem, and knowing the history of the establishment of PT. Astra International North Jakarta until now.

#### 3.2. Informants:

1. Agah Gumelar. Position: Associate Environment-Social Responsibility (ESR) PT Astra International, Jakarta.
2. Dra. Sulasmi. Position: Principal of 05 State Elementary School, Sungai Bambu
3. Mimin S. Pd. Position: Principal of "Riang" Play Group, Sungai Bambu
4. Indah Kusumawardani Position: Student of State Elementary School 05 Sungai Bambu

#### 3.3. Data collection techniques

In this qualitative research, the collected data is carried out by means of:

##### 3.3.1. Primary Data

Primary Data in the study was obtained from: Depth Interviews that conducted with key Informants and the Informant; and Observation which is in this study does is in 1 Elementary School and 1 Play Group that become the target of PT Astra International CSR program.

### **3.3.2. Secondary Data**

On secondary research Data obtained by the study of the literature. Data collection is done by studying various literary sources, sources of readings, books and documents that have relationships with CSR activities of PT Astra International Jakarta.

### **3.4. Location and Time Research**

This research had been conducted in November 2012. With locations in the headquarters of PT Astra International, located at Jalan Gaya Motor Raya No.8 Jakarta Utara; SDN 05, Sungai Bambu and Riang Play Group Sungai Bambu, North Jakarta.

### **3.5. Data Triangulation**

In this study, researchers used a Triangulation Source to test data validity or realibility by comparing the results of interviews with key informants and informants from PT Astra International, informants from the school/community and the content of the documents concerned.

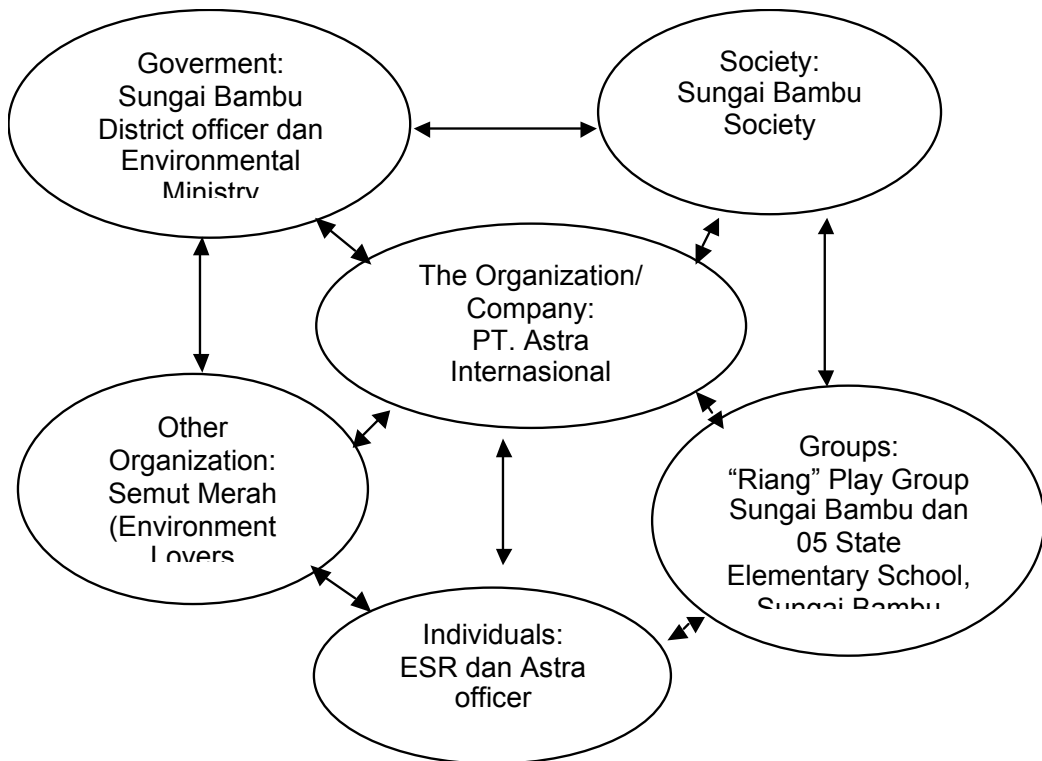
## **4. Research Result**

Corporate Social Responsibility (CSR) is to be met either enterprise, institution or organization. As expressed in the Social Contract Theory that any company (or any other form of organization) has a duty to the public to give the benefit of the local community. Social Responsibility is corporate responsibility towards society and the environment.

In practice, CSR activities of PT Astra International in accordance with the company philosophy called Catur Dharma already applied. CSR programmes undertaken are planned for progress and delivering results that endure for the long term, meaning the CSR programs are not instant and pursue only the sheer popularity but any form of concern PT Astra International. look around their surroundings. Discussion this study focuses on CSR activities to help people, especially children education.

Analysis of how PT Astra international in running corporate

social responsibility in education, if portrayed in model Crowther David is as follows:



**Exhibit 2**  
**Crowther David Social Contract Illustration**

The Crowther David illustration give it over researchers understand that the organization or company, government, society, groups, individuals, and other organization interconnected centered on an enterprise or organization. Hence this, to keep the regularity of the laws of nature are the parties that are inside them need to do social contract directly or indirectly. The existence of an enterprise consciously or unconsciously deal with the government, local residents, group, individual and other organizations. In this research PT. Astra Internasional must meet his social responsibility to give the benefits to local residents and minors in particular by the education sector as an immediate result or indirectly from element existing in this theory.

PT Astra International has started implementing CSR in

education in 2006 signed by the development State Elementary School Meulaboh, Aceh after the tsunami. After trained for six years, the School is transferred to Aceh local government. To the community surround the enterprise is started at 2008 by build up state elementary school 05 / 06 Sungai Bambu, North Jakarta until now. Currently PT Astra Internasional coach: 84 elementary schools, 4 Play Group, 3 Junior High School. Scholarship given to 84 Senior High School Graduates of 13 province in Indonesia to study in Astra Manufacturing Polytechnics. Sungai Bambu 05 Green Elementary achieve grade A in accreditation and predicate to be "Adiwiyata" school of the ministry of environmental due to their success in carrying out its education environmentally insight.

#### **4.1. PT Astra International CSR Program Implementation Barriers.**

Each CSR activities definitely have barriers to its implementation. Obstacles encountered in carrying out PT Astra International CSR in the field of education, among others: the people who do not comply with the requirement. Certain community groups submitted a proposal in accordance with his wishes. When the proposal was filled, it was not used optimally because it didn't fit with their needs. Likewise, when PT Astra give something that is expected to meet the needs of a community, but the community does not want to take advantage of. Consequently become redundant. Other obstacles are the specific programs that require permission from the Government, clearance permitting convoluted.

But, with all of the above barriers, PT Astra International continued to run the company as proof of the integrity of the CSR that have been state to the first company philosophy "To Be An Asset To The Nation". Agah Gumelar, ESR Associate PT Astra International state that:

*The most important in the implementation of CSR programs should have the commitment, the latter must have understanding for identification and a third of any direct involvement. So, for CSR programs not only from companies that want to run but there should be the involvement of the community. If the*

*community is not the way then the program can not run well. And supported by the Government and we should also have a scale or a benchmark program to achieve the success of the program.*

#### **4.2. Feedback from the bottom line**

Feedback obtained from the local community, among others, delivered by Dra. Sulasmi as Principal of State Elementary School 05 Sungai Bambu says that the education program is very good and give the positive effect on school improvement. It is also supported Mother Mimin, as the head of "Riang" Sungai Bambu Play Group that says: "It ' s very good and positive. It is a coincidence that PT Astra International care in education field. PT Astra help us in preparing good facilities and infrastructures, as what we have is not enough." Indah Kusumawardani, a schoolgirl State Elementary School 05/06 Sungai Bambu said that "the activity of PT. Astra International is excellent and help me to get the grant in my school."

#### **5. Conclusion**

PT Astra International's integrity in running Corporate Social Responsibility in education sector shown by the determination of the company philosophy, vision and a long-term community development program. CSR in education carried out since 2006 and has a long-term plan by 2020. From this data it can be said that PT Astra International is the social actors have a responsibility to comply with the laws of nature are rooted in Plato's thinking, namely: those who take something from society or nature, the obligation taken in order to restore some regularity of natural law.

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BUSINESS ETHICS AND INTEGRITY:  
ETHICS IN SOCIAL  
ENTERPRISES DEVELOPMENT

# Collective Action: The Case of Promoting Integrity and Accountability in Small and Medium Enterprises

Ma. Ella C. Oplas

## Abstract

*The Small and Medium Enterprises (SMEs) play an important role in the Philippine economy. They comprise 99.6% of the business, employ 63.2% of the labor force and contribute 35.7% of total sales and value added in the country.*

*The SMEs are also the most prone sector to corruption. In the 2011-2012 World Economic Forum Global Competitiveness Report, it was cited that the most problematic factors for doing business in the Philippines is corruption. It has become normal to hear SMEs complain about public servants asking for "grease" money to facilitate transactions. It cannot also be discounted that corruption exists because there are SMEs that initiates them.*

*This case study focuses on the initiative by the hills Program on Governance, Ramon V. del Rosario, Sr. – C.V. Starr Center for Corporate Governance of Asian Institute of Management. The initiative aims to strengthen awareness and understanding of the social and economic costs of corruption among Philippine businesses and to generate their support for anti-corruption efforts and to strengthen the ability of SMEs to prevent corrupt and other unethical behaviour among their employees.*

*The initiative is anchored on the fact that SMEs have an important role to play in combating corruption. They can either be victims, initiators or active participants against corruption. It highlights the importance of SMEs coming together for capacity building and consultation to formulate strategies for combating corruption in business. It likewise gives importance to the role of the government in SME development and promoting integrity and accountability in business.*

**Keywords: Integrity, Small and Medium Enterprises, Collective Action**



## 1. Introduction

The Small and Medium Enterprises (SMEs) play an important role in the Philippine economy. They comprise 99.6% of the business, employ 63.2% of the labor force and contribute 35.7% of total sales and value-added in the country.

The SMEs are also the most prone sector to corruption. In the 2011-2012 World Economic Forum Global Competitiveness Report, it was cited that the most problematic factors for doing business in the Philippines is corruption.

It has become normal to hear SMEs complain about public servants asking for “grease” money to facilitate transactions. In the TAG 2012 Social Weather Station Surveys on Corruption, 59% of the respondents believe that the government can’t be run without corruption while the remaining 41% accepts that corruption is part of the way government works. It is believed that corruption happens at the national level, city/municipal government and provincial government as arranged in highest to lowest.

Among the agencies perceived with low sincerity in fighting corruption, the Bureau of Customs (BoC) topped the list with the rate of Bad with the scale of Very Good, Good, Moderate, Neutral, Poor, Bad and Very Bad. BoC was followed by the Bureau of Internal Revenue and the Department of Public Works and Highways with a Poor rating.

Among the avenues identified where enterprises are solicited for bribes in highest were:

1. Getting local government permits/licenses
2. Assessment/ payment of income taxes
3. Getting national government permits/ licenses
4. Complying with import regulations including payment of import duties
5. Supplying government with goods/ services
6. Collecting receivables from government
7. Availing of government incentives

Corruption does not happen in the public sector alone. Although it was perceived that “*little to some*” private sector engaged in corruption relative to the “*Some to A Lot*” of the public sector, it cannot be discounted that corruption exists in the private sector. But, SMEs have the options to either become a victim, an initiator or an active participant against corruption.

## **2. Promoting Integrity and Accountability in Business**

The case being presented is the “Promoting Integrity and Accountability in Business” Project of the Hills Program on Governance (HPG) by the Ramon V. del Rosario, Sr. (RVR) – C.V. Starr Center for Corporate Governance in the Asian Institute of Management (AIM).

The HPG was founded by Roderick M. Hills, a former Chairman of the US Securities and Exchange Commission and lecturer at the Harvard University School of Law, Stanford University School of Law, and Yale University School of Management.

Its’ mission is to promote good governance and fight corruption in business and government that requires a multi-pronged and multi-stakeholders approach. Businesses for instance, should observe and promote more transparency and accountability in their dealings with government agencies, local and national, as well as fellow private businesses.

To achieve the above-stated goal, the Program’s main activities are: conducting in-depth research papers that identify various sources of corruption and how to address them at the local, national and international levels; facilitating sectoral, regional and national dialogues and workshops to assist the research component, and developing educational materials for different audience.

The Program was inaugurated at the AIM – RVR –CV Starr Center for Corporate Governance on September 2003. Initial funding came from the World Bank, the HPG at the Center for Strategic and International Studies in Washington DC, and the RVR – CV Starr Center for Corporate Governance and became an autonomous

center under the AIM.

The RVR – CV Starr Center for Corporate Governance was set up to promote more accountability and integrity in corporate governance. It aims to be the premier center for research, training and advocacy in Asia in promoting good governance in the public and private companies in the region. It is based at the AIM in Manila, Philippines and is headed by Atty. Angela G. Garcia.

To attain this goal, it adopts three inter-disciplinary activities: Conduct rigorous research papers on corporate governance with focus on Asian companies; Organize conferences, seminars and small discussions to deepen the business community's awareness of good corporate governance in general and those unique to Asia in particular; and Engaging national governments and stock exchanges in Asia, develop good corporate governance policies.

In February 2010, with financial support from Center for International Private Enterprises (CIPE), the Hills Program on Governance launched the project "Promoting Integrity and Accountability in Business" that aims to increase awareness and understanding of the social and economic costs among the Philippine businesses of corruption and to generate their support for anti-corruption efforts; strengthen the ability of small and medium enterprises to discourage, prevent and detect corruption and other unethical behavior on the part of their employees and bring to the attention of government officials the corruption scenarios often encountered by small and medium enterprises, with policy and reform recommendations designed to reduce the likelihood of such encounters.

The year one of the project was focused on organizing roundtable discussions among selected business leaders, focus group discussions with SMEs, soliciting anti-corruption and integrity pledges, developing the Anti-Corruption Manual for SMEs and an anti-corruption website and conduct of Anti-Corruption workshops.

On the other hand, the year two of the project focused on Training of Trainers on Anti-Corruption workshops, Online Anti-corruption training modules, meeting and roundtable discussions

with government officials and Integrity and Accountability Conference for SMEs.

This study will focus on the conduct of Anti-corruption workshops and how the concept of collective action can be applied in the process of promoting integrity and accountability in business. It will also try to answer the question why are SMEs participating and why are they not.

### **3. Conceptualization of Collective Action**

Collective Action is “action taken by a group (either directly or on its behalf through an organization) in pursuit of members’ perceived shared interests” according to Marshall (Dictionary of Sociology, 2004). Applied in the context of promoting integrity and accountability in business, it is a collaborative and sustained process of cooperation between stakeholders” (World Bank Institute 2008) as defined in the Collective Action Guide of the Business Fighting Corruption, a resource center for business under the World Bank Institute.

The Anti-corruption Manual for SMEs (AIM, 2012) developed during the year one by the project, highlighted the importance of SMEs engaging in collective action as an effective measure for SMEs to fight corruption and as an alternative to fighting alone. It noted that an SME fighting corruption is good but it would be more strategic if SMEs collaborate for better outcomes.

According to the Collective Action Guide of the Business Fighting Corruption (World Bank Institute 2008), being in a group “increases the impact and credibility of an individual action, it brings vulnerable individual players into an alliance of like-minded organizations, levels the playing field between competitors and may complement or temporarily substitute for and strengthen weak local laws and anti-corruption practices.”

There are two models of collective action according to the Collective Action Guide of the Business Fighting Corruption (World Bank Institute, 2008). One is where one or more companies

convene the collection action. Another is where facilitator convenes collective action. Collective Action tends to be more successful if convened and supported by a neutral facilitator. The role of the facilitator includes bringing stakeholders together and providing neutral platform, facilitate discussion on best-practice sharing and advice and nominate external monitor or author. While, it is

*However, "the difficulty of analyzing the behavior of the individual in the group is due primarily to the fact that each individual in a group may place a different value upon the collective good wanted by his group" according to Olson (1979 p. 22).*

### **3.1. Collective Action in Promoting Integrity and Accountability**

The context of collective action was applied in the "Promoting Integrity and Accountability in Business" project by the coming together of SMEs to serve one clear purpose, which is to promote integrity and accountability in business. This was made possible by the key roles played by the different stakeholders - R.V.R.- C.V. Starr Center for Corporate Governance, government, business support organizations, academe and financial institutions.

The HPG of the R.V.R.- C.V. Starr Center for Corporate Governance in the AIM as the executing agency of the project will be referred in this case as the "Project". The Project plays the role of a facilitator in the promotion of integrity and accountability in business by providing the platform for SMEs to meet and discuss common experiences, strategies to combat corruption, and strengthen the ability of SMEs.

The Project neither intended to create another formal organization or body of SMEs nor rally the SMEs into something radical like going out on the streets as a form of demonstrating the need for reforms from the government and the private sectors. Rather, the Project works within the parameters of the stated project objectives. Hence, in this case, the term "coordination" will be repeatedly used to refer to the methodology used by the Project to gather SMEs together to serve one purpose.

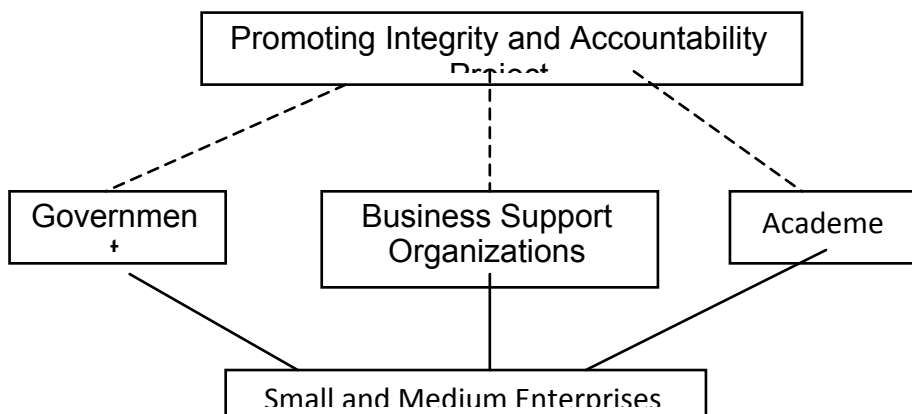
The Project recognizes the importance of government, business support organizations, academe AND financial institutions in linking with SMEs. Given its limited resources, the Project understands the efficiency and effectiveness of going through these established institutions and organizations instead of directly going out to SMEs and organizing them.

The Project was guided by the principles of shared interest, established relationship with SMEs, "reach" and volunteerism in identifying organizations to coordinate with. SMEs gathered together because of their shared interest to serve one purpose, which is to promote integrity and accountability in business. Without this purpose in mind, the action to collectively gather SMEs will cease to exist and fail.

The Project also looked for institutions and organizations with historical and clear programs and initiatives for SMEs. SME programs ranges from services for SME members/clientele like capacity building, training, business matching and promotion. Following the programs, range of SME "reach" in terms of SME beneficiaries and membership were analyzed specifically, in the areas of National Capital Region, Cebu and Davao – the key areas identified in the project.

Lastly, a number of institutions and organizations were approached and invited to be part of this initiative but none were

**Linkages to Small and Medium Enterprises**



paid, forced or bribed. Those who stayed on and participated were doing so in a voluntary arrangement. No memorandum of agreements or understanding, or any form of partnership contract existed between the Project and participating institutions.

*Government.* As the primary government body assigned to promote small and medium enterprise development in the country, the project coordinated with the Bureau of Micro, Small and Medium Enterprise Development (BMSMED) under the Department of Trade and Industry (DTI).

*Business Support Organizations.* Several organizations classified as either business association, business club, and industry associations were tapped. The following includes Philippine Chamber of Commerce and Industry and several of its members – Mandaue Chamber of Commerce and Industry, Cebu City Chamber of Commerce and Industry, Davao City Chamber of Commerce and Industry, Junior Chamber International-Manila, Confederation of Exporters in the Philippines, and Chamber of Furniture in the Philippines.

*Academe and Financial Institutions.* The Institute of Small Scale Industries in the University of the Philippines, Development Academy of the Philippines, AMG Skilled Hands Technology College and Planters Bank

As the link of the Project to SMEs, the government, business support organizations and academe specifically took on the role of SME representatives and endorser of the Project to their SME members/clienteles. As SME representatives, the association officers participate to project activities by sharing the experiences as well as strategies used to combat/ prevent corruption by their SME members/clienteles.

During the year one implementation of the project, the Anti-corruption Workshop for SMEs was conducted to build the capacity of the SMEs in combating corruption. Eight workshops were conducted in Manila, Pampanga Cebu and Davao catering to a total of 220 SME owners and managers. The workshop ran for four hours that included formal presentations, case studies and an open forum

for sharing of experiences.

Given the demand created by the Anti-Corruption Workshop during the year one of the project, it received numerous requests for the conduct of the workshop. The Project thought of a conducting a series of Training of Trainers on Anti-Corruption Workshops for SMEs in order to leverage the limited resources and reach more SMEs. Instead of going straight to SMEs, the Project maximized the presence of "The Links" and trained them to cascade the Anti-Corruption Workshop to their SME constituents.

The Training of Trainer is a one-day workshop that discusses the content of the Anti-Corruption Manual for SMEs developed by the project during the year one of the project. It covers the following Introduction to Corruption in Business; Business Case against corruption; Implementation of systems and controls for preventing corruption, how to deal with corruption dilemmas; Individual measures for avoiding corruption situations; and Collective Action.

A session is allocated for group activities wherein a group is given a scenario with corresponding possible responses or actions to be taken by an individual. After the group discussions, participants were gathered to the plenary to present and discuss possible responses.

A number of business support organizations, government, academe and financial institutions participated in the Training of Trainers conducted in Manila, Cebu, Davao and special sessions were conducted upon the request of Junior Chamber International – Manila and Institute of Small Scale Industries of the University of the Philippines.

The training or trainers were regarded with high ratings by the participants based on the feedback received, the training was uniformly positive. For the scale of Excellent, Very Good, Good, Satisfactory and Fair, the overall activity was given an average rating of 'Very Good'. For the speakers, the average rating was also "very good" and asked is they found the presentation useful, majority answered "Definitely Yes" (AIM, 2012 unpublished).



A financial subsidy and copies of the Anti-Corruption Manual for SMEs by the project was offered to participating organizations that can cascade the workshop to their SME constituents. Of the organizations that participated in the training of trainers only 1 organization – Davao City Chamber of Commerce and Industry took advantage of the subsidy offered by the Project and conducted a two day workshop for SMEs and government officials in their area.

The Junior Chamber International-Manila cascaded the workshop to its sister organization in Mandaue, Cebu while Bureau of Micro, Small and Medium Enterprise Development of the Department of Trade and Industry to its employees as a “back to office echoing”. Both decided not to avail of the subsidy.

The Institute of Small Scale Industry of the University of the Philippines cascaded the workshop covering the university-wide employees but did not avail of the subsidy. However, they opted to contract out the resource person of the training of trainers to serve as resource speaker instead of the trained officers that underwent the training.

A comment given to the Project Manager during a follow-up of the cascading is that organizations are torn between doing the cascading and doing another initiative linked to SME development for another organization. The financial support offered by another organization relative to what is being offered by the project was just too big an “opportunity cost” not to take. Another organization who cascaded the workshop but did not bother to ask for subsidy claimed that their advocacy to promote integrity and accountability is beyond financial gains.

## **5. Key questions for students**

1. How can the concept of collective action applied in the case of the project?
2. Why have some members of the training of trainers decided to cascade the workshop while some did not?
3. Why have some members of the training of trainers participant

decided to avail of the incentives while some did not?

## 6. Analysis by the teacher

*“Action taken by or on behalf of groups of individuals is taken through organizations with the purpose of furthering the interest of their members.” (Olson, 1971)*

SMEs will always have reasons for doing and not doing things. A good start to analyze this case is to look at three things purpose, quality of inputs, and incentives mechanisms.

It is to be noted that the purpose of the collective action is clear – promote integrity and accountability in business. Although there was a guiding principle in identifying participants to the projects, no rule was imposed to the participants. They were not required be an exclusive member of group and not required to pay anything during the duration of the initiatives. Still SMEs came and the Project got its target number of participants. It can be surmised that the participants were at one with the Project in forwarding its purpose.

The feedback and generated demand for the training of trainers and Anti-Corruption Manual for SMEs is likewise an indicator of the quality of resource speakers, training conduct and materials used during the training. This is the output level but in terms of the outcome level, it is too early to measure the outcomes of the trainings because they were just recently concluded. The Project is just on the initial stage of promoting integrity and accountability in business. Maybe a post-evaluation after a year will serve that purpose.

*“Just as those who belong to an organization or a group can be presume to have a common interest, so they obviously also have purely individual interests different from those of the others in the organization or group” (Olson, 1971).*

Incentives scheme plays an important role in the life of a collective action. But, individuals have their own priorities and interests aside from the purpose of the collective action. This explains

why the financial subsidy of the Project was an encouragement for some to cascade the workshop and was lightly taken by other.

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# Building Potential Tax Payer's Integrity: A Case study of Soegijapranata Catholic University Semarang

Rini Hastuti

## Abstract

*Most countries depend on tax as the biggest source of revenue in the government budgeting. Therefore, the government takes many ways optimizing this kind of revenue. The scandals involving tax payers, collectors, consultants, or the government officers as a fiscal regulator often occur in many ways and many times. Hence, there is a need to strengthen the enforcement of tax laws. The enforcement cannot be done solely by the government, but it should be supported by all parties involved. Integrity becomes keyword for both fiscal regulator and tax payers. This research is conducted to assess students' awareness of being potential tax payers, to assess students' perception of reasoning for tax compliance based on 4 determinants of integrity which are accountability, competence, corruption control, and ethics; and to investigate need of tax education for non business students in higher education. Using crosstab analysis to assess 341 students that's divided into 2 groups of business and non business, the result show that (1) most of students are aware of being potential tax payers; (2) most of students use accountability and ethical consideration in reasoning to tax compliance; (3) there's strong central tendency of competence that indicates the samples cannot assure whether they could use this consideration to comply or not to comply; (4) most of students perceived that corruption issues become main reason not to comply with the rules; (5) both of groups are agree that tax education is important for non business students and there's strong need to learn about tax.*

**Keywords:** *accountability, competence, corruption control, ethics, tax education.*

## I. Introduction

Tax revenue is prime revenue of the government revenue. It is very important for the government since most countries depend on tax as the biggest source of revenue in the government budgeting. Moreover countries which have limited natural resources depend on tax revenue most. Tax revenue is the most manageable earning of a country compared with other legal revenue sources. Therefore, the government takes many ways optimizing this kind of revenue by doing intensification and extensification. In intensification, the government intense the revenue by establishing new rules about one kind of tax; and by extensification, the government sets a new tax that would be imposed.

A staggering amount associated with the government tax revenue attracts parties who aim to further their personal interest. The scandals involving tax payers, collectors, consultants, or even the bureau officers often occur in many ways and many times. Hence, there is a need to strengthen the enforcement of tax laws. The enforcement cannot be done solely by the government, but it should be supported by all the parties involved including the public. There are ways to enforce, such as negative incentives i.e. implementing penalties and punishment; and positive incentives i.e. rewarding compliance and simplifying the tax system. One such positive incentive that the government can insist on is ensuring that tax payers receive tax education. Studies have shown that being well educated with tax knowledge drives tax payers to be compliance. It is more crucial that in self assessment system whereby tax payers are expected to count, pay, and report all taxes by themselves. The government, as a fiscus, must ensure that the tax payers can afford that onus in spite of perform the best effort in serving public administration.

The system requires integrity from both of sides, fiscus and tax payer. The Indonesia government claimed that Directorate General of Taxes has achieved integrity standard required by Komisi Pemberantasan Korupsi (KPK) in executing public service. It is proved by result of the survey on integrity held by KPK and Transparency

International Indonesia (TII) (Vivanes, 2011). Meanwhile there is no research conducted regarding tax payer integrity. Integrity, especially for tax payer, becomes very important since integrity can lead tax payers to comply and deal with tax rules. The complied tax payers are needed for the government to assure the payment of all expenditures.

According to Bahari and Ling (2009), there are not only a few studies known about non-accounting undergraduates' understanding of taxation, but there is also a dearth of literature on tax education. Sommerfeld (1966, in Bahari and Ling 2009) argues for the teaching of taxation in the university with its distinctive point of view. Barjoyai (1992) and Ho (1992) in Bahari and Ling reiterate the importance of asserting the need for tax education in the curriculum regardless of academic discipline. They argue that tax knowledge is universal that every citizen needs to know since it is an onus to pay tax liability. An empirical survey conducted by Bahari (2007) shows that 88.4 % of non accounting students in Malaysia believe that tax is a significant undergraduate subject since the knowledge can be useful when they have to assess tax liability individually in the future. Barjoyai; Eriksen and Fallan 1996; Kasipillai et al. (2003) in Bahari and Ling find that tax education may decrease the tendencies of tax avoidance or evasion. A research, conducted by Furnham (2005) in Bahari and Ling, on adolescents ages of 10-15 years found that the teenagers did not have a comprehensive view of taxation. He then argued that students in tertiary level should have a boarder view of taxation, which had been proved by Norazah (2006) that strengthened his claim since taxation is advance and specialized knowledge.

The ratio of tax collection against the national gross domestic product (GDP) can lead us to determine the tax gap of a country. International average of tax ratio should be more than 20%, but Indonesia still gets about 15% (Martowardojo, 2012), implying that the country must establish and strictly implement new rules to maximize tax revenue. Meanwhile, there is a dearth of studies that investigate the importance of tax education. There are several

studies in Indonesia that seek how the understanding of tax can increase tax payers' compliance, for instance Siregar et al (2012); Prakoso and Nurswandari (2012). However, none of them studied students as potential tax payers. Taxation knowledge is only learnt at business programs. The lesson is only an oversight at business secondary schools; then an oversight and advance at business tertiary schools. The need for this knowledge has not been sought by non-business students in Indonesia despite the fact that these students are potential tax payers. There is a need for tax education for non-business programs in higher education because by understanding tax better could drive to tax compliance. This compliance is needed by all tax payers with or without business background.

Soegijapranata Catholic University (SCU), as one of leading private university at Semarang graduates students that hire and are hired by various companies and states. There are 5.048 students active and registered in academic year 2012/2013. The students come from various backgrounds. Herewith is data about parent's occupation to describe student closest environment.

**Table I.1 Parent's Occupation of SCU Students**

Pensioner	203	4%
Government Officer	594	12%
Private employee	1716	34%
Others	1570	31%
Teacher	147	3%
Entrepreneur	564	11%
Army/ Police	143	3%
Farmer	52	1%
Lecturer	59	1%
TOTAL	5048	100%

**Source: BMSI, SCU (2013)**

Trace study of alumni shows that SCU alumni work in public and private sectors, as owner, employer, and employee. Most of them work on private sector, as a citizen they have right and onus just like other citizen. Whatever the sectors, they have to comply

with laws and rules, including the tax rules.

The government needs revenue to pay expenditures. The main revenue comes from tax that's assessed from the citizen or tax payers. It needs integrity of tax payers to have compliant tax payers. Tax education is one of methods to build integrity, unfortunately there's no study that investigates this issue, especially in Indonesia. This research is conducted to seek answers of the following issues:

- (1) Assessing students' awareness of being potential tax payers
- (2) Assessing students' perception of reasoning for tax compliance based on 4 determinants of integrity which are accountability, competence, corruption control, and ethics.
- (3) Investigate need of tax education for non business students in higher education

## **2. Literature Review**

### **2. 1. Tax System**

The laws of Income Tax as mentioned with UU No. 7/1983 j.o No.17/2000 j.o No.36/2008 impose Self Assessment System. The system requires tax payers to do calculation, payment, and reporting their own tax payable by themselves. Therefore having fully understanding of tax system is demanded. Otherwise, tax consultants can be hired which will be costly.

### **2.2. Integrity in Tax System**

Integrity Education Network (2013) defines organizational integrity as the set of characteristics that improves trustworthiness to stakeholders. It uses accountability, corruption control, competence, and ethicality as variables to measure integrity.

#### **a. Accountability**

Bovens states that accountability is an evaluative concept that positively mentions the accomplishment of a performer. It closes to the meaning of receptive and also sense of receptive, readiness to behave in translucent, fair minded, evenhanded manner. He also strengthens a statement of Gallie (1962) that there is no common



agreement of this accountable behavior, since it is always difference in roles, times, places, and actors. In this research the actors are tax payers who have responsibilities to accurately calculate and pay income tax payable promptly and then to correctly report the tax on time.

b. Corruption control

Corruption is a kind of crimes that include deception, stealing, abuse of power, contravene of agreement which is refused by organizational due to failures that may be occurred (Boyd, 1995). At the tax payer's point of view corruption control means tax planning. It develops methods to calculate, pay, and report with the minimum amount of tax payable without deceiving tax rules.

c. Competence

Refer to Albrecht (2002) that uses the term of competence as a determinant in cynicism toward change for senior management. He defines that competence refers to qualities such as influence, impact, ability, expertness, knowledge and the ability to do what is needed. In tax payers' view it involves their knowledge and ability to pay tax payable in precise amount, after considering with due date and impact.

d. Ethically

Baron (2012) states that from political philosophy, there are three approach to ethics; they are (1) utilitarianism, achieving a great satisfaction of desire; (2) deontology, ethics is idea of duty; and (3) virtue ethics, that using one's talents and leading a fulfilled life.

### 2.3. Previous Research

There are proven studies that argue that tax education or tax understanding drives to tax compliance, such as the following:

- (1) Bahari and Ling (2007) conducted a research that aimed to evaluate and to analyze tax understanding among employees who were taking non accounting programs; and also to assess tax topics that could be learnt at non accounting program in higher education. The results show that 64% of the respondents would like to learn about tax; 23,7% of the respondents have a

high degree of tax understanding. Basic tax principles, personal taxation, tax planning for individuals and taxation for small business and company are the topics of interest for respondents. The author points out that regarding the implementation of SAS, it is very important for academics and authorities to take into account to insert tax in the curriculum for non accounting program in higher education.

- (2) Waples and Darayseh (2009) considered ethics in tax practice, and problems that may exist in delivering ethical foundation for undergraduate tax students. It explored about CPAs professional standard, the need for new standard for tax shelter, ethics issues, recommended the broad of ethics, and determined subjects for educators. The research finds that it is more than tax knowledge that should be taught but also the values of ethics that must be instilled to undergraduate students. This is important for the future tax payers since tax compliance is strongly required by the government.
- (3) Palil (2010) investigated whether the level of tax knowledge influenced to tax compliance behavior under SAS in Malaysia. He found that tax knowledge drives significantly to tax compliance, although there was various level of tax knowledge. Despite tax education, there were other factors that determined tax compliance; there were probability of being audited, perceptions of government spending, penalties, personal financial constraints, and the influence of referent groups. The correspondents were tax payers that were well experienced in taxation; it increases the validity of the results.
- (4) Rustiyarningsih (2011) concludes after compiling literature reviews that understanding SAS is one of the factors that influence tax compliance. The other factors are educational level, income level, service quality, and perception of tax penalty.

Considering the facts that are empirically proved, it is strongly recommended that having tax education is very important for the tax payers. By understanding tax system, it will drive to tax compliance.

Students are potentially tax payers. Business and non business students merely comprise a portion of future tax payers. Having basic knowledge of taxation enables people to easily understand the system; they can deeply discuss with professionals about deductible and un-deductible expenses, recognized and un-recognized revenues, and managing tax planning more effectively. Without any tax education, there might be inconsequent tax planning that leads to tax noncompliance.

### **3. Methodology**

#### **3.1. Population and Sample**

The population of this research is 5.048 active students from 12 programs in Soegijapranata Catholic University that are registered in academic year of 2012-2013. Sample is taken by using proportional stratified random sampling. Based on registered student for each program or field of study, it categorizes sample into 2 groups:

- (1) Business students. This group consists of students that have taxation as a knowledge or distinct subject. They are expected to have more comprehensive thinking of tax, so they can assess better the need of tax education in building tax integrity.
- (2) Non business students. This group of student does not learn tax as a subject. They are expected to have less knowledge about tax but will have the same tax responsibility in the future.

Slovin formula is used to determine number of sample. With 5% standard error it is determined 371 students as respondent.

#### **3.2. Data collection and analysis**

Questioners are distributed to 400 students of 12 programs at SCU. The questionnaire consists of 3 parts: personal data, reason for tax compliance and non compliance, and need for tax education for non business students. Crosstab data analysis is used to describe students tax awareness, reasons to comply with and not to comply with tax rules, and assessing the need of tax education for non business students to build integrity.

## 4. Research Result

### 4.1. Description of Respondent

Targeted participant is 371 students, but it is only 341 students that participate in this research. Students based on field of study are summarized in appendix. Taken proportionally based on number of active students from 12 bachelor programs, I classify subsequently the program into group of business and non business. Business group is considered to have tax education as the subject of study, while non business does not. The business group (54%) consists of taxation (3%), accounting (34%), management (12%), and law (5%). Meanwhile food technology (10%), electrical engineering (1%), computer science (6%), architecture (4%), Visual Communication Design (0%), civil engineering (3%), psychology (17%), and English (4%) are members of non business group (46%).

Respondents are also classified based on parents' occupation. This classification is important since parent is assumed as closest environment that can influence the paradigm. It is found that most of respondent's parent occupation is employee of government offices or private companies (57%) then entrepreneur (42%), and mixed occupation (1%). There is 48.7% of respondent that states in the future they prefer to be an entrepreneur than to be an employee. It implies that most of the respondents wish to have an independent business than to be a state officer (25.8%) whose income tax payable would be paid by the government, neither to be a private employee whose employer would take over most of their tax obligation (19.4%).

### 4.2. Tax Awareness

Tax awareness is the first step to comply with tax rules. General knowledge of tax is assessed to the students to seek whether they understand the importance of tax to the government budgeting and whether they are aware of being potential tax payer.

The result shows that most of students are gotten to understand that tax is prime revenue in our country budgeting system. The fact is that the government pays out most of their operating and capital

expenditure with the cash earned from tax. Most of the students also aware that as a citizen they cannot avoid of being tax payer and therefore they have to complies all of tax obligation such as calculation, payment, and reporting their income tax payable. The only concern is that there is still central tendency in awareness of self tax calculation. There is 46% of respondents are still in doubt whether they have to calculate their own income tax payable or they just can divert even deny this onus.

Comparison between business and non business students about their total level of strongly disagree and disagree of tax awareness is summarized in table 1 below. Business students seem to aware more than non business students. It might be caused by tax knowledge that they learn as a distinct subject.

**Table 4.1. Level of strongly disagree and disagree of tax awareness**

	Awar #1	Awar #2	Awar #3	Awar #4	Awar #5	Awar #6
Business	13%	12.9%	4.9%	18.9%	10.3%	8.6%
Non business	19.9%	19.9%	4.5%	17.3%	10.2%	12.9%

### 4.3. Tax Compliance

I assess student's perception in giving reasons why they have to comply and why they don't. Using four pillars of integrity (accountability, competence, corruption control, and ethics) then the reasoning to comply and not to comply is analyzed.

#### 4.3.1. Accountability

Refer to Bovens (2005) that states accountability closes to the meaning of receptive and also sense of receptive, readiness to behave in translucent, fair minded, evenhanded manner then the accountability as reason to comply with tax rules is implied in several statement as summarized on appendix.

The result shows that there's still big doubt of respondent about providing valid data and in efficient relationship between the government and tax payers. The respondents state this doubt by taking neutral position in the statement of providing valid data (38.4%); and 40.3% for the government and tax payer relationship.

We may interpret that tax payers themselves even cannot rely on validity of their own data. Most of respondents also tend to dispute the efficient relationship between tax payers and the government. Therefore, it could be other reasons to comply that are stronger. Research shows the stronger reasons to comply are about the sense of fairness of proportional tax amount and availability to provide supporting data. It is proved from the tendency of taking higher point to agree with the statements. It sounds contradictory while they tend not so sure with the validity of their own data meanwhile they can assure to provide supporting data that is required. This inconsistency may generate invalid supporting data. The comparison of accountability perception between business and non business students that may lead to tax compliance is summarized as below on Table 2. Students from business field seem to have higher level to comply since their average point of accountability is higher.

**Table 4.2. Level of Strongly and Somewhat Agree of Tax Compliance - Accountability**

	Act_tc #1	Act_tc #2	Act_tc #3	Act_tc #4	Act_tc #5	total
Business	50%	60.5%	52.5%	64.3%	44.6%	271.7%
non business	46.8%	53.8%	50.6%	54.5%	44.8%	250.5%

From the reasons not to comply based on accountability view, the result indicates about how bad tax system is according to tax payer. The higher the point that's resulted, then tax system is worse. For the reason of law enforcement, most of respondents agree that there's weak law enforcement. They subsequently use this reason to be non-compliant. It also happens with the other two reasons which actually describe our tax system that in advance may generate tax non-compliant. They perceive that although they are available but it is difficult to collect and provide supporting data as well as the perception of non transparent tax report by the government (Table 6 in appendix).

### 4.3.2. Competence

Albrecht (2002) defines that competence refers to qualities such as influence, impact, ability, expertness, knowledge and the ability to do what is needed. The questionnaire of competence was then developed from this definition. Ones who understand tax system will tend to have strongly and somewhat agreed, since the statements reflect general tax knowledge. The research results show several interesting facts as follow:

1. They will comply with the rules once they can perform the onus to calculate, to pay, and to report their income tax payable. Being understood of tax knowledge is the only way to be good performer.
2. The respondents are not so sure whether they can utilize tax loopholes for their own saving. It is indicated by most of respondents prefer to take neutral position, that means they may be agree or disagree to utilize tax loopholes. It may be caused since the respondents are students that have not had experiences to know and to use the whole system of these tax loopholes which actually do not contravene to the rules.
3. Most of respondents realize that there will be serious actions that will be accused by the government if they don't comply with the rules. This kind of penalties and actions could be worse than tax saving they intended to be. This possibility leads them to comply.
4. Most of respondents believe that the government has good system and competence human resources to assess and audit tax payer. They also believe that tax restitution is just and simple. This belief can lead the integrity of tax payer to be compliant tax payer.

The competent statements written on questionnaire are designed to obtain reasons of respondent to comply with the rules based on competence of tax payer and the fiscus. The higher the score indicates higher perception of competence that leads to tax compliance. This following table shows us that business students have higher perception of competence as reason to comply with tax rules.

**Table 4.3. Level of strongly and somewhat agree of tax compliance – Competence**

	Com_ tc #1	Com_ tc #2	Com_ tc #3	Com_ tc #4	Com_tc #5	Com_ tc #6	Com_ tc #7
business	51%	20.0%	59.5%	48.6%	44.3%	42.7%	34.6%
non business	42.2%	18.0%	45.8%	42.9%	39.1%	34.1%	25.6%

Based on competence pillar of integrity, there is less students (20%) that tend not to comply with because of the perception that tax is just like specter that they have to avoid. It means they presume that tax is no longer to be afraid off. Nevertheless perception of tax dealing is difficult and complicated has higher point (43.3%). It indicates that respondents will not comply with if the dealing is difficult and complicated. Central tendency may be happened because they have limited tax knowledge.

#### **4.3.3. Corruption control**

Corruption is a kind of crimes that include deception, stealing, abuse of power, contravene of agreement which is refused by organizational due to failures that may be occurred (Boyd, 1995). Corruption in tax become tremendous current issues in Indonesia. People say that corruption scandals lead reluctance to forthright calculate, pay, and report their tax payable. In the questionnaire corruption is perceived from both of side, the way tax payer control themselves and the way they perceive government control in corruption. From the perception of corruption control, most of respondents seem not so sure whether it can be used to be reasons to comply with the rules. It indicates that self corruption control and their perception of government corruption control have not been good enough somehow. Non business students that don't learn tax knowledge perceived to have central tendency more than business students.

Despite central tendency, business students tend to consider environment and capability to manipulate data as reasons not



to comply with tax rules more than non business students. Most of respondents of the two groups are agree not to comply with because they perceive that the government inefficiently manages public finance, therefore there are a lot of scandals of corruption.

#### **4.3.4. Ethics**

Ethics is considered to be a reason why tax payers have to comply with or not. The more tax payers consider ethics then the more their integrity. Result shows that most of respondents quote for agree and strongly agree for ethics consideration to comply with the rules. They will feel guilty if they don't report all of their revenue (43.5%), feel satisfied to be able to meet tax obligation (60%), feel proud to pay the tax (59.6%), perceive that tax is merely an obligation (68.5%), and the willingness to fairly disclose real data of revenue, expenses, assets, liabilities (61.5%).

Similar with reason to comply, reasons not to comply seems to consider ethics. In spite of the central tendency, most of respondents will feel guilty if they have to discard certain revenues when calculating tax payable (31.3%). Most of respondents are also disappointed with tax management conducted by the government (54.8%) as they don't want to unfair to disclose the data regarding tax (35.1%). Despite tax payable, most respondent will prioritize to pay off the other debts (30.4%). Ethics involves moral consideration; therefore ethical atmosphere should be kept in the aspect of accountability, competence, and corruption control.

#### **4.4. The Need of Tax Education**

Both of groups are agree that tax education is important for non business students and there's strong need to learn about tax. This result strengthens the previous ones that most of respondents are aware of being potential tax payers. But since they don't have enough knowledge and understanding of taxation then they tend to take neutral position to comply with or not to comply with. Considering that nescience, most of students agree that it is important to have tax knowledge.

There's strong need of tax education for non business

students. It is proved by fact that there's less than 6% in total that are disagree to the need of tax education. They suggest that non business students should also learn tax by this following subjects and methods:

Introduction of Taxation – segregated to be a distinct subject	147	43%
Introduction of Taxation – inserted in other similar subject	108	32%
Tax for Small enterprises - segregated to be a distinct subject	129	38%
Tax for Small enterprises - inserted in other similar subject	116	34%
Tax Ethics - segregated to be a distinct subject	114	33%
Tax Ethics - inserted in other similar subject	132	39%
Tax Cases - segregated to be a distinct subject	109	32%
Tax Cases - inserted in other similar subject	123	36%
Total respondent	341	100%

From the total of 341 respondents they suggest Introduction of Taxation as the most important subject to be learnt for non business students. They also suggest that it should be segregated from the other subjects to be a distinct subject. Other details could be traced from the above table.

#### 4.5. Implication

The country depends on tax to pay all the government expenditures. It is very important to comply with tax rules to meet the targeted revenue, and integrity of tax payer and the government as public administrator become key factor. From the tax payer's point of view, it is important to build accountability, competence, corruption control, and ethics to be complied tax payers. The four pillars of integrity in tax can be achieved only if tax payers understand what, why, when, and how the tax system is. There is no other way than to educate tax payers. Students in the high education, as a potential tax payers are in the ages to comprehend the system. The government needs to seize this opportunity by taking legal actions to generalize this knowledge. Therefore, these potential tax payers could understand what and how the tax main principles. The academicians will play the important roles to disseminate this idea with their lecturing, research, and community service activities.

## 5. Conclusion

The government needs revenue to pay expenditures. The main revenue comes from tax that's assessed from the tax payers. It needs integrity to have compliant tax payers. Tax education is one of methods to build integrity. The result shows that:

- a. Students are aware of being potential tax payers. Business students have higher level of awareness compared with non business students.
- b. Reason to comply with tax rules and reason not to comply are derived from four pillars of integrity:
  - 1) **Accountability: Students from business field seem to have higher level to comply since their average point of accountability is higher.**
  - 2) **Competence: business students have higher perception of competence as reason to comply with tax rules.**
  - 3) **Corruption control: despite central tendency, most of respondents of the two groups are agree not to comply with the rules because they perceive that the government inefficiently manages public finance.**
  - 4) **Ethics: both of groups use ethical consideration to comply and not to comply with the rules.**
- c. Both of groups are agree that tax education is important for non business students and there's strong need to learn about tax. Introduction of taxation is the most required subject to be learnt distinctly for non business students in higher education.

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## 7. Appendix

**Table 1. Frequency Distribution of Respondent Based on Field of Study**

Business	Students	%	Non business	Students	%
Taxation	11	3%	Food Technology	35	10%
Accounting	116	34%	Electrical Engineering	5	1%
Management	41	12%	Computer Science	21	6%
Law	17	5%	Visual Communication Design	0	0%
			Architecture	13	4%
			Civil engineering	10	3%
			Psychology	59	17%
			English	13	4%
	185	54%		156	46%
	Total respondents			341	100%

**Table 2. Frequency Distribution of Respondent Based on Parent's Occupation**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Employee	193	56.6	57.1	57.1
Valid entrepreneur	143	41.9	42.3	99.4
Valid mixed	2	.6	.6	100.0
Valid Total	338	99.1	100.0	
Missing System	3	.9		
Missing Total	341	100.0		

**Table 3. Frequency Distribution of Respondent Based on Future Desired Occupation**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	State officer	88	25.8	26.0	26.0
	Private employee	66	19.4	19.5	45.4
	entrepreneur	166	48.7	49.0	94.4
	mixed	19	5.6	5.6	100.0
	Total	339	99.4	100.0	
Missing	System	2	.6		
Total		341	100.0		

**Table 4. Tax Awareness Between Business and Non Business Students**

Code of Detail	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Awar #1	Business	3.2%	9.7%	23.2%	36.8%	27.0%	100%
	non business	3.2%	16.7%	33.3%	30.8%	16.0%	100%
	Total	3.2%	12.9%	27.9%	34.0%	22.0%	100%
Awar #2	Business	2.2%	3.8%	16.2%	42.2%	35.7%	100%
	non business	4.5%	2.6%	25.8%	38.7%	28.4%	100%
	Total	3.2%	3.2%	20.6%	40.6%	32.4%	100%
Awar #3	Business	2.2%	2.7%	26.5%	41.4%	27.6%	100%
	non business	3.9%	0.6%	29.7%	42.6%	23.2%	100%
	Total	2.9%	1.8%	27.9%	41.8%	25.6%	100%
Awar #4	Business	3.8%	15.1%	46.5%	26.5%	8.1%	100%
	non business	5.8%	11.5%	45.5%	28.8%	8.3%	100%
	Total	4.7%	13.5%	46.0%	27.6%	8.2%	100%
Awar #5	Business	2.2%	8.1%	30.8%	43.8%	15.1%	100%
	Non business	1.9%	8.3%	30.1%	43.6%	16.0%	100%
	Total	2.1%	8.2%	30.5%	43.7%	15.5%	100%
Awar #6	Business	1.6%	7.0%	33.0%	40.5%	17.8%	100%
	Non business	<b>2.6%</b>	<b>10.3%</b>	<b>37.2%</b>	<b>35.9%</b>	<b>14.1%</b>	<b>100%</b>
	<b>Total</b>	<b>2.1%</b>	<b>8.5%</b>	<b>34.9%</b>	<b>38.4%</b>	<b>16.1%</b>	<b>100%</b>

Notes:

Awar #1: tax as a prime state revenue

Awar #2: it is impossible for every citizen to avoid paying taxes

Awar #3: every person who is stated in the tax law is a tax payer

Awar #4: it is an onus for tax payer to calculate his own income tax payable

Awar #5: it is an onus for tax payer to pay by himself his income tax payable

Awar #6: it is an onus for tax payer to report his own income tax payable

**Table 5. Reasons to Comply Based on Pillars of Accountability**

Code of Detail	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Act_tc #1	Business	2.2%	7.6%	40.5%	36.8%	13.0%	100%
	Non business	3.8%	13.5%	35.9%	30.1%	16.7%	100%
	Total	2.9%	10.3%	38.4%	33.7%	14.7%	100%
Act_tc #2	Business	1.6%	7.0%	30.8%	49.7%	10.8%	100%
	Non business	1.3%	7.7%	37.2%	39.1%	14.7%	100%
	Total	1.5%	7.3%	33.7%	44.9%	12.6%	100%
Act_tc #3	Business	3.2%	8.1%	36.2%	42.2%	10.3%	100%
	Non business	3.2%	11.5%	34.6%	34.6%	16.0%	100%
	Total	3.2%	9.7%	35.5%	38.7%	12.9%	100%
Act_tc #4	Business	1.1%	6.5%	28.1%	45.9%	18.4%	100%
	Non business	3.2%	10.9%	31.4%	32.1%	22.4%	100%
	Total	2.1%	8.5%	29.6%	39.6%	20.2%	100%
Act_tc #5	Business	2.7%	13.6%	39.1%	33.7%	10.9%	100%
	Non business	6.4%	7.1%	41.7%	30.1%	14.7%	100%
	Total	4.4%	10.6%	40.3%	32.1%	12.6%	100%

**Notes**

Act\_tc #1: I can ensure my data validity which is reported

Act\_tc #2: I can provide all of supporting data when it is required by the officer

Act\_tc #3: I pay my tax in the same amount with others who have the same amount of revenue

Act\_tc #4: The higher the revenue, the higher tax payable

Act\_tc #5: The government has efficient relationship with tax payer

**Table 6. Reasons Not to Comply Based on Pillars of Accountability**

Code of Detail	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Act_te #1	Business	4.3%	9.8%	29.3%	32.6%	23.9%	100%
	Non business	4.5%	9.7%	22.6%	31.6%	31.6%	100%
	Total	4.4%	9.7%	26.3%	32.2%	27.4%	100%
Act_te #2	Business	3.3%	6.5%	48.9%	29.9%	11.4%	100%
	Non business	2.6%	9.7%	37.4%	30.3%	20.0%	100%
	Total	2.9%	8.0%	43.7%	30.1%	15.3%	100%
Act_te #3	Business	2.2%	4.9%	29.7%	35.7%	27.5%	100%
	Non business	2.6%	5.2%	32.7%	28.8%	30.7%	100%
	Total	2.4%	5.1%	31.0%	32.5%	29.0%	100%

**Notes**

Act\_te #1: There's weak law and rules enforcement.

Act\_te #2: It is difficult to provide supporting data that's required

Act\_te #3: The government does not transparently report the management of tax fund

**Table 7. Reasons to Comply Based on Pillar of Competence**

Code of Detail	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Com_tc #1	Business	1.6%	7.6%	40.0%	41.0%	9.7%	100%
	Non business	4.5%	17.5%	35.7%	35.1%	7.1%	100%
	Total	2.9%	12.1%	38.1%	38.1%	8.6%	100%
Com_tc #2	Business	10.3%	25.4%	44.3%	18.9%	1.1%	100%
	Non business	12.8%	26.3%	42.9%	13.5%	4.5%	100%
	Total	11.4%	25.8%	43.7%	16.4%	2.6%	100%
Com_tc #3	Business	1.1%	7.6%	31.9%	44.9%	14.6%	100%
	Non business	1.9%	10.3%	41.9%	34.8%	11.0%	100%
	Total	1.5%	8.8%	36.5%	40.3%	12.9%	100%
Com_tc #4	Business	1.6%	9.2%	40.5%	37.8%	10.8%	100%
	Non business	2.6%	9.0%	45.5%	33.3%	9.6%	100%
	Total	2.1%	9.1%	42.8%	35.8%	10.3%	100%
Com_tc #5	Business	4.3%	15.1%	36.2%	34.6%	9.7%	100%
	Non business	8.3%	19.9%	32.9%	28.2%	10.9%	100%
	Total	6.2%	17.3%	34.6%	31.7%	10.3%	100%
Com_tc #6	Business	4.9%	15.1%	37.3%	34.6%	8.1%	100%
	Non business	10.3%	17.3%	38.5%	24.5%	9.6%	100%
	Total	7.3%	16.1%	37.8%	29.9%	8.8%	100%
Com_tc #7	Business	5.4%	12.4%	47.6%	28.1%	6.5%	100%
	Non business	5.8%	15.4%	53.2%	17.9%	7.7%	100%
	Total	5.6%	13.8%	50.1%	23.5%	7.0%	100%

**Notes**

Com\_tc #1: I can perform my tax onus, which includes calculating, paying, and reporting my tax payable

Com\_tc #2: I can utilize tax loopholes

Com\_tc #3: Serious action and penalty may be insisted if I refuse to comply

Com\_tc #4: The penalty could be higher than the saving that is proceeded from unreported revenue

Com\_tc #5: I believe the government has a good tax auditing system

Com\_tc #6: I believe the government has competence human resources to assess and to audit tax payer

Com\_tc #7: Tax restitution is just and simple

**Table 8. Reasons Not to Comply Based on Pillar of Competence**

	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
com_te #1	Business	9.8%	33.2%	42.4%	13.0%	1.6%	100%
	Non business	9.0%	29.0%	35.5%	19.4%	7.1%	100%
	Total	9.4%	31.3%	39.2%	15.9%	4.1%	100%
com_te #2	Business	5.5%	14.3%	36.3%	29.2%	14.8%	100%
	Non business	4.5%	11.6%	41.3%	22.6%	20.0%	100%
	Total	5.0%	13.1%	38.6%	26.1%	17.2%	100%

Notes

com\_te #1: that tax is just like specter that I have to avoid

com\_te #2: tax dealing is difficult and complicated

**Table 9. Reasons to Comply Based on Pillar of Corruption Control**

	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Cor_tc #1	Business	5.4%	24.9%	47.6%	17.3%	4.9%	100%
	Non business	7.7%	27.7%	41.3%	17.4%	5.8%	100%
	Total	6.5%	26.2%	44.7%	17.4%	5.3%	100%
Cor_tc #2	Business	4.9%	22.2%	36.3%	26.5%	10.3%	100%
	Non business	7.7%	14.8%	47.7%	20.6%	9.0%	100%
	Total	6.2%	18.8%	41.5%	23.8%	9.7%	100%
Cor_tc #3	Business	1.1%	8.6%	48.1%	35.7%	6.5%	100%
	Non business	3.9%	6.5%	52.9%	31.6%	5.2%	100%
	Total	2.4%	7.6%	50.3%	33.8%	5.9%	100%
Cor_tc #4	Business	2.2%	13.5%	53.5%	24.3%	6.5%	100%
	Non business	1.9%	11.6%	56.8%	23.2%	6.5%	100%
	Total	2.1%	12.6%	55.0%	23.8%	6.5%	100%
Cor_tc #5	Business	17.8%	28.6%	34.6%	15.1%	3.8%	100%
	Non business	18.7%	18.7%	40.6%	16.1%	5.8%	100%
	Total	18.2%	24.1%	37.4%	15.6%	4.7%	100%
Cor_tc #6	Business	14.6%	17.3%	33.5%	21.1%	13.5%	100%
	Non business	13.5%	15.5%	37.4%	19.4%	14.3%	100%
	Total	14.1%	16.5%	35.3%	20.3%	13.8%	100%

Notes

Cor\_tc #1: I believe there is big possibility to be detected if I don't include all of my revenue

Cor\_tc #2: If I detected not to report all of my revenue, I believe that the tax officers may not tolerate and grant me the penalties

Cor\_tc #3: I can provide with all supporting data regarding my taxable incomes

Cor\_tc #4: I can provide with all supporting data regarding my deductible expenses

Cor\_tc #5: State budgeting leakage is under my limit

Cor\_tc #6: The government allocates tax revenue to maximize public welfare



**Tabel 10. Reasons Not to Comply Based on Pillar of Corruption Control**

	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Cor_te #1	Business	6.5%	12.5%	48.4%	22.3%	10.3%	100%
	Non business	6.5%	14.2%	43.2%	21.3%	14.8%	100%
	Total	6.5%	13.3%	46.0%	21.8%	12.4%	100%
Cor_te #2	Business	12.5%	25.0%	40.8%	16.8%	4.9%	100%
	Non business	10.4%	26.6%	39.6%	14.9%	8.4%	100%
	Total	11.5%	25.7%	40.2%	16.0%	6.5%	100%
Cor_te #3	Business	6.6%	5.5%	23.8%	28.7%	35.4%	100%
	Non business	7.1%	7.1%	26.5%	23.2%	36.1%	100%
	Total	6.8%	6.3%	25.0%	26.2%	35.7%	100%

## Notes

Cor\_te #1: Some relatives in my society are non-compliant tax payer, but they aren't penalized

Cor\_te #2: I can manipulate the data since we don't need to send them to tax office

Cor\_te #3: The government manages public finance inefficiently therefore there are a lot of scandals of corruption

**Tabel 11. Reasons to Comply Based on Pillar of Ethics**

	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Etc_tc #1	Business	2.7%	10.3%	39.7%	34.2%	13.0%	100%
	Non business	4.5%	14.3%	42.2%	32.5%	6.5%	100%
	Total	3.6%	12.1%	40.8%	33.4%	10.1%	100%
Etc_tc #2	Business	2.2%	5.4%	30.4%	46.7%	15.2%	100%
	Non business	2.6%	10.3%	27.1%	41.9%	18.1%	100%
	Total	2.4%	7.7%	28.9%	44.5%	16.5%	100%
Etc_tc #3	Business	1.6%	6.0%	27.7%	45.1%	19.6%	100%
	Non business	3.9%	3.9%	38.7%	36.1%	17.4%	100%
	Total	2.7%	5.0%	32.7%	41.0%	18.6%	100%
Etc_tc #4	Business	1.6%	4.9%	22.3%	42.9%	28.3%	100%
	Non business	4.5%	4.5%	25.8%	41.9%	23.2%	100%
	Total	2.9%	4.7%	23.9%	42.5%	26.0%	100%
Etc_tc #5	Business	1.6%	3.3%	29.5%	44.3%	21.3%	100%
	Non business	1.9%	7.7%	33.5%	37.4%	19.4%	100%
	Total	1.8%	5.3%	31.4%	41.1%	20.4%	100%

## Notes

Etc\_tc #1: I may be feel guilty if I don't report all of my revenue

Etc\_tc #2: I am satisfied if I can meet my tax obligation

Etc\_tc #3: I am proud paying my tax

Etc\_tc #4: Tax is merely an obligation for citizen

Etc\_tc #5: I fairly write all of my data (revenue, expenses, assets, liabilities)

**Tabel 12. Reasons Not to Comply Based on Pillar of Ethics**

	Group	strongly disagree	disagree	neutral	agree	strongly agree	total
Etc_te #1	Business	4.9%	23.9%	52.2%	15.2%	3.8%	100%
	Non business	9.7%	24.5%	45.2%	12.9%	7.7%	100%
	Total	7.1%	24.2%	49.0%	14.2%	5.6%	100%
Etc_te #2	Business	3.3%	8.7%	33.2%	35.9%	19.0%	100%
	Non business	3.9%	9.0%	32.3%	30.3%	24.5%	100%
	Total	3.5%	8.8%	32.7%	33.3%	21.5%	100%
Etc_te #3	Business	8.7%	29.3%	41.3%	15.2%	5.4%	100%
	Non business	7.7%	23.9%	40.6%	20.0%	7.7%	100%
	Total	8.3%	26.8%	41.0%	17.4%	6.5%	100%
Etc_te #4	Business	6.5%	13.6%	50.5%	20.7%	8.7%	100%
	Non business	8.4%	20.6%	39.4%	14.8%	16.8%	100%
	Total	7.4%	16.8%	45.4%	18.0%	12.4%	100%

Notes

Etc\_te #1: I may not feel guilty if I have to discard certain revenues when I am calculating tax payable.

Etc\_te #2: I am disappointed with tax management conducted by the government.

Etc\_te #3: I guess we do not need to be honest with tax business.

Etc\_te #4: It is my priority to pay

# Analysis of Environmental Performance and Market Reaction to Environmental Performance Disclosure

## Study on Manufacturing Companies listed in Indonesian Stock Exchange

Dr. Budi Rofelawaty, SE.,M.Si.,Ak

Dr. Ir. Asfida Parama Rani, M.M.

### Abstract

*Economic activity and industrialization has not balanced with concern for environment. Coupled with a lack of monitoring and enforcement of the government, and force in law by regulation and law act thats slowly will give negative impact on environmental sustainability and public health. This study analyzed 85 manufacturing company listed on the Stock Exchange through an empirical study on the environmental performance information reported in the company's annual report. The results showed that less 50% of the manufacturing company disclosed the environmental performance in their financial statements. Its indicated most companies disclosed environmental performance in the form of narrative or qualitative information. The company did not disclose the environmental activity in the form of expenses incurred in environmental conservation efforts. Information activities of the company environment is still as a tool of legitimacy, this result show awareness of many companies about environmental issues still low. This research also using event study analysis to see the impact of environmental performance information on stock prices. The results illustrate a little reacted by market to the environmental performance information and the reaction is slow. The results of this study are consistent with several previous studies, and the results could illustrate how the low level of public awareness of the industry on environmental issues, and the need for legal rigor and oversight of the government on industry activities, especially industries that have high risk of social and environmental. The results of this study have implications for the development of environmental programs, input for the government in the formulation of policies and regulations that require the company to develop a business management strategy related to environmental issues.*

**Keywords:** *Environmental performance, environmental performance disclosure, legitimacy theory, stock price, efficient market hypothesis, strategic environmental management.*

## 1. Introduction

Economic activity and industrialization are not concern for the environment, coupled with a lack of monitoring and enforcement of the government, will slowly negative impact on environmental sustainability and public health. Much evidence of industrial activity has caused environmental damage and public health are quite severe. Like, the manufacturing industry to exploit its natural resources, manufacturing industries which perform production process results in waste disposal to the environment and will ultimately have a negative impact on the health of the environment and public health. In addition, the rapid increase in population and economic activities that require a lot of energy that cause increased pollution (water, air, and soil), the incidence of acid rain, and global warming, all of which are new problems for the preservation of the environment.

The industries that exploit natural resources, such as forestry industries that have made massive logging reduced forest cover in Indonesia, and caused large areas of Indonesia is prone to disasters, both drought, floods, and landslides. Dry and rainy season becomes more uncertain, dozens of important rivers dry up in the dry season and floods during the rainy season. Marine intrusion into rivers have deeper into the river upstream that causes some areas in Indonesia, especially in around the river experiencing a serious water crisis.

In the mining sector, mining activities that have the potential to change the environment to be quite damaging. Large holes left by miners so it was impossible to close again, let alone to do the reclamation. So that left pools of water with a very high acid content resulting plants can not thrive, reduced stream flow and ground water, sea water pollution, and degradation, directly or indirectly, can pollute and / or damaging the environment, which in turn have a negative impact and even endanger the public health, and the survival of human beings. Should industries that emit hazardous and toxic waste is necessary to manage the principle of minimizing waste, managing toxic waste operational techniques that have been set by government regulations, or to develop environmentally sustainable development from the waste generated through hoarding.

The environmental issue is a global issue that concerns the entire world, because of the impact damage is felt by the entire community and impact also on the outside of Indonesia. For that we need an awareness of the industry for the implementation of the company's operations will be environmentally friendly. Awareness is implemented in the form of activity or activities as proof the company's contribution to the environment. Implementation of environmental activities (environmental conservation) are reported in the form of reporting of environmental information. During this reporting environmental information is information that is voluntarily made by the company, because there are no specific rules or standards that require the companies to report environmental problems, and how to shape the presentation of the report, unless the disclosure of environmental accounting for mining companies and concessionaires (timber industry) . Statement of Financial Accounting Standards (SFAS) has been specifically set up environmental accounting disclosure standards for the mining industry and the timber industry or concessions. (SFAS no. 32 and no.33).

All members of the public also have a moral responsibility to pay attention to environmental issues, and to supervise the passage of legislation or a provision for the environmental industry. While the management of the organization or company ensure the implementation of the responsibility for economic resources, which consist of natural resources, financial assets, human assets and technology. Then the accounting profession to facilitate and monitor (audit) the implementation of the organization's management responsibilities as integrity, responsibility and accountability related to administrative and financial systems.

At the present time why, how and what needs to be disclosed in the reporting process is still cause differences in the perception of the company, and many factors can affect the attitude of the management in making decisions for the reporting or disclosure of environmental information. Several studies have shown that there are some companies voluntarily disclose social and environmental

information in their annual reports, and some have made in a separate report (Trotman and Bradley, 1979; Guthrie & Parker 1990; Deegan 2004). In Indonesia Bahusin and Susie (2001) found that the level of disclosure to the forestry industry and the mining sector is still low despite existing accounting standards governing environmental disclosures for both the industry. Sayekti and Wondabio (2007) states that almost all the companies listed on the Indonesia Stock Exchange (IDX) has revealed the social and environmental information in its annual report that although the levels varied, and most companies do disclose information in the form of narrative and image, which shows that they care about the environment and social problems caused by company operations. But rarely quantitatively express company to describe the amount of financing that environment conservation purposes. There is some research that suggests the items that need to be disclosed in the disclosure of environmental information as proposed by Brown et al (2004). Later in Indonesia has no set form of SFAS items of information that need to disclosed in the annual report. As for the Mining Industry and Forest Industry (companies concessionaires) in Indonesia has been stated in the Statement of Financial Accounting Standards 32 and 33 (FRS 32 & 33). SFAS No. 32 set for the forest industry while reporting SFAS. 33 which set the reporting for the mining industry.

This study analyzed the annual reports of listed industrial companies in Indonesia Stock Exchange, to see the implementation of corporate responsibility to the environment. Using the event study method, this research also aims to look at how the market reaction to environmental performance information. The results of this study are expected to provide empirical evidence about how the environmental disclosure practices of the company, and how businesses appreciation towards environmental sustainability.

## **2. Literature Review And Background**

Activities of the company should be reported to stakeholders. Stakeholders company consists of various stakeholders, such as shareholders, regulators, customers, employees, and the general

public. Shareholder wants the developing embedded investment, so the company wants the government to follow the rules that have been established, the public want a company capable of providing welfare for public around it, and the company is able to process environmentally friendly production does not corrupt the environment. All social and environmental responsibility must be reported by the company in the annual report, as well as the provisions of the Law no. 40 of 2007. In addition to the present there has been a change of view, the company should consider the three-dimensional operations, the performance of the economic/financial, social, and environmental. Due to the construction principles of sustainable community development to implement the protection and preservation of the environment, and improving the quality of human beings. Therefore, the reporting company aims to provide performance information economic/ financial, social, and environment as expressed by Elkington (1997). Elkington (1997) states that sustainable development requires an entity to report the presenting information about the economic, environmental, and social (triple bottom line).

The implementation of triple bottom line reporting is to present information that enables other parties to assess the sustainability of the operation of an entity or organization. Sustainable organizations are organizations of secured financial aspect, as evidenced by the measurement of probability, minimize (or ideally eliminated) negative impact on the environment, and operations in accordance with the expectations of the community or communities in which the organization operates. This means that companies have a responsibility to the social and environmental problems as a result of the company's operations. The reporting process as a corporate responsibility to social and environmental issues called Social Responsibility Accounting.

Basic theories used to justify research analysis in this study is the theory of political economy, particularly the stakeholder theory and legitimacy theory. The theory of political economy by Gray et al. (1995) is a theory that lowering the stakeholder theory

and legitimacy theory, and political theory, economics is defined as the social framework, politics, where human life and economic activity. Perspective of social, political, economic according to Gray et al (1995) cannot be separated, because in an economic analysis cannot be meaningful if it does not consider the political, social, and institutional framework where economic activity is located. The use of stakeholder theory and legitimacy theory is also based on the opinions Deegan (2004) which states that social and environmental research more appropriate use of stakeholder theory and legitimacy theory in justifying the research. Both theories assume that the disclosure of accounting policy is considered as a strategy to influence others tempt integrated organization. Social and environmental problems more linking between the organization and the community and the environment in which an organization on the move.

The concept of stakeholder theory states that management has a fiduciary relationship with all stakeholders, not just shareholders (stockholders), the management should have the same consideration for the interests of stakeholders, and all stakeholders have the minimal rights that should not be violated, likes information about how the organization's members impact on their well being, safety, and security are related to social and environmental. (Deegan, 2004). Thus, the annual report presented by the corporate is to inform stakeholders about the breadth of activities of the organization, which is considered a responsibility that must be met.

The theory of legitimacy rested the notion that there is a social contract between the organization and the communities in which the organization operates. Social contract according to Mathews (1993) will take place between the corporate and individual members of the public. Society as a collection of individual giving corporate power and authority of the law to use natural resources and hire employees. Legitimacy theory emphasizes that organizations consider the rights of the public at large, not just investors only. Failure to meet the expectations of the community (meet social contract), the organization will be sanctioned as determined by



the community, for example in the form of legal restrictions on the organization's operations, resource restrictions (eg, finance, and labor) are given, and the reduction in demand for products generated. For organizations that are responsive to adjust their activities to the social values and norms of behavior that is acceptable to the larger social system where the organization is a part.

### **3. Research Design**

#### **3.1. Data Collection and Sampling**

This study analyzed the annual reports of listed companies in the manufacturing industry IDX, to look at environmental conservation company disclosed in its annual report. Therefore, the data used in this research is secondary data in a company's annual report that researchers downloaded from the IDX website. To determine the sample, the researchers used the manufacturing companies listed on the Stock Exchange, which has direct relevance to environmental issues, activities acquiring resources, process natural resources into finished goods, distribution of finished goods to customers, and the activities of the company contain a variety of risks, which one of which is a risk to the environment. Based on these criteria, the number of company that upload their annual reports at IDX for the years 2008, 2009, and 2010 that samples analyzed manufacturing companies as many as 85 pieces.

#### **3.2. Method of Data Analysis**

To answer the first research question, which saw the environmental activities undertaken manufacturing companies listed on the Stock Exchange, the researchers analyzed the annual reports of companies to look at the environmental performance information disclosure is done. As for the second question, which is to see the market response to the environmental performance information (bad news or good news), researchers conducted event study analysis. Event is an observational study to look at the stock price effect of a particular event. Events observed and associated with the market reaction is environmental performance

announcement by the Ministry of Environment (MOE) in the form PROPER environment. Testing event study in this research by using a paired sample t test to see if there are differences in stock prices before and after the performance information presented in the report PROPER. PROPER Gold Rank seen as good news, while ranking PROPER red and black is considered as bad news.

If the market responds PROPER information in the form of good news or bad news, there will be differences in stock prices before and after the announcement date. In this event study research, researchers made observations 4 windows ie 7 days (t-3 to t +3), 15 days (t-7 to t +7), 21 days (t-10 to t +10), and 28 days (t-14 to t +14). So the hypothesis of the study to see the market response is:

*H<sub>0</sub> = No difference in share prices before and after the announcement PROPER (good news or bad news)*

*H<sub>a</sub> = There are differences in stock prices before and after the announcement PROPER (good news or bad news)*

## 4. Results And Discussion

Development of the economic life of society and the business world is characterized by the development of the company, whether small, medium and large. Moreover, supported by a policy of regional autonomy, which causes these areas to advance the race provides an opportunity for companies to operate in the region. Economic progress and the business a positive impact on the world of investing and business development. But many companies are still focused on economic activity and production, forget about the state of the communities around its operations and forget about the environmental aspects. This study tried to reveal how public awareness, particularly among the industry in terms of environmental conservation. The study will analyze the company's annual report environmental conservation activities that have been carried out and described how the company's market reaction on environmental performance information.

### 4.1. Analysis of environmental disclosures in corporate annual reports

Disclosure of environmental information in the annual report

of the company is the process of communicating information relating to environmental activities to stakeholders issues. Because the company is obliged to make environmental liabilities as part of the primary key business strategies. This study analyzed the annual reports issued by manufacturing companies to see accountability environment. This study analyzed the annual reports of 85 pieces of manufacturing companies listed on the Stock Exchange for the period of operation in 2008, 2009 and 2010, to see the implementation of corporate responsibility to the environment. The results can be seen in Table 1 analyzes the disclosure of environmental performance information on the company's annual report in 2008, Table 2 analyzes the disclosure of information on the environmental performance of the company's annual report in 2009, and Table 3 analyzes the disclosure of environmental performance information on the company's annual report in 2010.

**Tabel 1. Analysis of Disclosure Environmental Performance 2008**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	51	60.0	60.0	60.0
	1	29	34.1	34.1	94.1
	2	5	5.9	5.9	100.0
	Total	85	100.0	100.0	

**Tabel 2. Analysis of Disclosure Environmental Performance 2009**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	45	52.9	52.9	52.9
	1	28	32.9	32.9	85.9
	2	12	14.1	14.1	100.0
	Total	85	100.0	100.0	

**Tabel 2. Analysis of Disclosure Environmental Performance 2010**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	43	50.6	50.6	50.6
	1	5	5.9	5.9	56.5
	2	37	43.5	43.5	100.0
	Total	85	100.0	100.0	

Based on Table 1, Table 2 and Table 3 shows an increase in companies doing environmental conservation disclosure made manufacturing companies listed on the Stock Exchange, although the number who disclosure is still less than 50% of the sample (85 companies) in the study. But the level of quantitative environmental disclosure increases, meaning that the company is not only expressed in the form of qualitative or narrative alone but is also presented in the form of quantitative information that describes the amount of financing to the company for environmental conservation. This shows that more and more companies are doing disclosure not only as a means of legitimacy, as expressed by some previous research that suggested that many companies conduct environmental disclosure only as a tool of legitimacy. Because disclosure is done only in the form of narrative (qualitative) stating that they care about environmental issues (this study consistent with the study by Rome, 1992; Dillard et al, 2005; Cho and Patten, 2006).

#### **4.2. Analysis of market reaction to environmental performance information (PROPER) company**

Analysis using event study to see the market's reactions to events which are analyzed around environmental performance information (PROPER) issued by Ministry of Environmental Department. PROPER environment is analyzed PROPER environmental assessment issued by Ministry of Environment, the assessment year 2010 - 2011 which was announced on November 30, 2011. Testing the market's reaction over the company's stock price got PROPER gold, red and black. Gold rating that given to a company business and operations have consistently demonstrated excellence in their production process environment and / or services, conduct business ethically and responsibly towards society. Green rating given to companies and businesses or activities that have environmental management more than required under the regulations through the implementation of environmental management systems, efficient use of resources through the efforts of 4 R (Reduce, Reuse, Recycle, and Recovery), and undertake responsibilities social responsibility well. Red ratings are given to companies that perform environmental management

efforts have not been in accordance with the requirements stipulated in the legislation and in the stage of implementing administrative sanctions. While the black rank given to a company or business and operations or intentionally committed an act of negligence that resulted in pollution and / or environmental damage and violations of laws and regulations that apply or implement administrative sanctions.

Based on the PROPER 2010 - 2011 which was announced on November 30, 2011, manufacturing companies listed on the Stock Exchange were analyzed in this study are:

- (1) Gold Ratings is Holcim Indonesia Tbk and Medco Energi International Tbk.
- (2) Ranked Red Consist of: Gudang Garam Tbk, Indorama Synthetic Tbk, Smart Tbk, Sumalindo Lestari Jaya Tbk
- (3) Ranked Black consist of: Kabelindo Murni Tbk, Bentoel International Investama Tbk

Testing event study conducted with several windows i.e. 7 days (t-3 to t +3), 15 days (t-7 to t +7), 21 days (t-10 to t +10), and 28 days (t-14 to t +14). Events in this analysis is the PROPER announcement issued by the Ministry of Environment on November 30, 2011. The event study test results can be seen in Table 4 for window 7 days, Table 5 for a window of 15 days, Table 6 for a 21-day window, and Table 7 for 28 the following day:

**Table 4 The Event Study Result For Window 7 days**

PRO- PER	COMPANY NAME	MEANS		T score	Sig (2 tailed)
		Before	After		
Gold	Holcim Indonesia Tbk	1,856.67	1,936.67	-8.000	0.015
	Medco Energi Internasional Tbk	2,275.00	2,433.33	-3.800	0.063
Red	Gudang Garam Tbk	61,383.33	65,933.33	-4.583	0.044
	Indorama Synthetic Tbk	1,973.33	1,996.67	-3.500	0.073
	Smart Tbk	6,683.33	6,650.00	1.000	0.423
	Sumalindo Lestari Jaya Tbk	138.00	136.67	1.512	0.270
Black	Kabelindo Murni tbk	111.33	111.33	0.000	1.000
	Bentoel International Investama Tbk	780.00	780.00	0.000	1.000

**Table 5 The Event Study Result For Window 15 days**

PRO- PER	COMPANY NAME	MEANS		T score	Sig (2 tailed)
		Before	After		
Gold	Holcim Indonesia Tbk	1,834.29	2,021.43	-4.274	0.005
	Medco Energi Internasional Tbk	782.86	784.29	-8.660	0.000
Red	Gudang Garam Tbk	61,157.14	64,257.14	-5.502	0.002
	Indorama Synthetic Tbk	1,987.86	1,997.14	-1.154	0.293
	Smart Tbk	6,707.14	6,650.00	2.828	0.030
	Sumalindo Lestari Jaya Tbk	137.86	137.29	0.880	0.413
Black	Kabelindo Murni tbk	112.43	111.14	2.274	0.063
	Bentoel International Investama Tbk	782.86	784.29	-0.548	0.604

**Table 6 The Even Study Result For Windows 21 days**

PRO- PER	COMPANY NAME	MEANS		T score	Sig (2 tailed)
		Before	After		
Gold	Holcim Indonesia Tbk	1,865	2,096.43	-9.368	0.000
	Medco Energi Internasional Tbk	2,362.50	2,437.50	-3.350	0.005
Red	Gudang Garam Tbk	61,382.14	63,117.86	-3.409	0.005
	Indorama Synthetic Tbk	2,058.21	1,960	2.735	0.017
	Smart Tbk	6,685.71	6.664.29	0.791	0.443
	Sumalindo Lestari Jaya Tbk	138.29	136.93	3.001	0.010
Black	Kabelindo Murni tbk	113.79	111.43	5.692	0.000
	Bentoel International Investama Tbk	790.00	787.86	0.763	0,459

**Table 7 The Event Study Result For Windows 28 days**

PRO- PER	COMPANY NAME	MEANS		T score	Sig (2 tailed)
		Before	After		
Gold	Holcim Indonesia Tbk	1,853.00	2,067.50	-6.485	0.000
	Medco Energi Internasional Tbk	2,340.00	2,442.50	-5.680	0.000
Red	Gudang Garam Tbk	61,385	63,665	-3.938	0.003
	Indorama Synthetic Tbk	2,006.50	1,981.00	1.113	0.294
	Smart Tbk	6,705.00	6,655.00	3.354	0.008
	Sumalindo Lestari Jaya Tbk	138.20	136.90	2.177	0.057
Black	Kabelindo Murni tbk	113.30	111.30	3.721	0.005
	Bentoel International Investama Tbk	784.00	780.00	1.177	0.269

Based on Table 4 is an event study test results with window 7 days showed only two companies showed reaction to the announcement of the results PROPER issued by the Ministry of Environment, and the reaction is weak. Companies that provide these reactions are Holcim Indonesia Tbk with t-score 8.000 sig 0,015 and Gudang Garam Tbk with t-score 4.583 sig 0,044. Holcim Indonesia Tbk an increase in the stock price after the announcement is good news PROPER, while Gudang Garam Tbk anomaly occurs due to an increase in the stock after the announcement is bad news PROPER (red ratings). The occurrence of such anomalies as Gudang Garam Tbk is a tobacco company, with an excellent financial performance and stock price high enough so that the market does not care about the ranking results PROPER red (bad news).

Table 5 is an event study test results with the 15-day window shows there are four companies that provide a reaction to the announcement issued PROPER KLH (good news or bad news), and four other companies did not respond to the announcement PROPER which is bad news. Table 6 is an event study test results with the 21-day window shows there are 5 companies reacted to the announcement issued PROPER KLH (is good news or bad news), and 3 other companies did not respond to the announcement PROPER which is bad news. Table 7 is an event study test results with the 28-day window, shows there are 6 pieces of the company to react to the announcement issued PROPER KLH (is good news or bad news), and two other companies did not respond.

Based on the results of the testing event study (in Table 4, Table 5, Table 6 and Table 7) showed there is a market reaction to the announcement issued PROPER KLH (both good news and bad news). There are any differences in stock prices before and after the announcement of the results of this research is successful or reject the null hypothesis ( $H_0$ ) and supports the alternative hypothesis ( $H_a$ ). Then there are two companies, namely Smart Tbk and Bentoel International Investama Tbk which does not respond to the announcement PROPER. That is, the stock price of both companies before and after the announcement of the same or unsuccessful

reject the null hypothesis ( $H_0$ ), the t test results (t-test) were not significant. Smart Tbk is one of the largest companies whose main activity is the production of cooking oil, margarine with an extensive marketing network both domestically and internationally. Then Gudang Garam Tbk is a leading tobacco company in Indonesia, most of the male population smoked. This is the company's financial performance make quite high which is reflected in the company's stock price is high and always rising, and the stock price is not affected by the announcement of the rank PROPER red (bad news).

The results also show that the market reaction to the announcement PROPER weak and slow, as shown by wide window (over 7 days) to see the market reaction. The results of this study are consistent with research conducted by Lorraine et al. (2004) who also used the event study testing linking stock prices to get good news / bad news of industry corporate environmental performance. The results stated that the marker reaction is weak and slow (over 7 days).

Based on content analysis of annual report of the manufacturing industry that listed at IDX for the year 2008 – 2010 (sampled 85 companies) showed there are still many companies that do not disclose the environmental performance, and shows management consideration in preparing the company's annual report focuses on the financial performance information. Management considerations are also due to orientation of the shareholders at company's information on how to improve its financial performance capabilities, and improve the welfare of shareholders. Proven by empirical results show weak and sluggish market reaction to environmental performance information (good news or bad news, also illustrated by worsening environmental condition. The number of natural disasters such as floods, landslides, earthquakes, air pollution, and the difficulty of obtaining clean water. All of the environmental damage caused by human activity, either in the form of exploitation of natural resources, waste disposal industry and households that are not environmentally friendly.



Seeing the current environmental conditions, as more industrial waste that can damage the health of the environment and society, and the environmental damage that results of this research are expected to have implications for the development of sound business management and social environment, and the determination of establishing policies and regulations, as well as conservation development environment in an effort to create sustainable development. Based on the results of the Earth Summit in Rio de Janeiro, Brazil in 1992, insisted on the concept of sustainable development as something that becomes a liability not only for the State but also must be considered by the corporation. The concept of sustainable development is demanding the corporation, in business to pay attention to aspects of the provision of funds for environmental protection and social responsibility, and implementation for policy (public, corporate, and government). Later in the meeting Yohannesburg 2002, also produced a new principle in the business world is the concept of social responsibility for a corporation (Corporate Social Responsibility).

Furthermore, in September 2004, the International Organization for Standardization or ISO, as the main international organizations generating ISO 26000 guidelines and standards for the organization's responsibility for decisions and the impact of their activities on society and the environment through transparent and ethical behavior. In Indonesia, Law no. 40 Article 74 of 2007 regulate the implementation of CSR in a limited liability company, which states that:

- (1) The company that runs its business activities in the field and / or related to the natural resources required to carry out social and environmental responsibility
- (2) Social and environmental responsibility as referred to in paragraph (1) is an obligation of the company budgeted and accounted for as an expense the company made with respect to implementation of decency and fairness.
- (3) The Company undertakes no obligation referred to in paragraph (1) subject to sanctions in accordance with the statutory provisions.

Based on these results and the environmental conditions are poor, and natural disasters experienced throughout all peoples,

so the responsibility of environmental issues is not imposed on corporations conducting business related to natural resources (as defined in the Law. 40th article 74 of 2007). Environmental responsibility is a collective responsibility, including government, corporate, and community. For that the government is expected to make a regulation that requires companies to cope with negative impacts on the environment caused by its operations, include social and environmental performance in annual reports, and the company implemented an environmental management system. Regulation is intended that the business community aware of the preservation of the environment and can create environmentally friendly products so that the concept of sustainable development can be achieved.

## **5. Conclusions And Recommendations**

The conclusion of this study is:

- 1) The low (less than 50%) the number of companies listed on the Stock Exchange that the sample in this study reveals environmental performance information in the annual report. There are many forms of environmental disclosure in the form of narrative or qualitative not quantitative, integrated in the company's financial statements. Management consideration in preparing the annual report is oriented to show the ability of the financial performance of companies providing welfare for the management and shareholders.
- 2) Using event study test shows that the market reaction to the announcement PROPER (good news or bad news) announced by the Ministry of Environment is still weak and slow reflected in the very small changes in stock prices and the reaction occurs at more than  $t + 7$  Day. It also shows that the orientation of the shareholders or the investing public is still oriented towards the management of financial performance presented in its annual report.
- 3) Limitations of this research is we difficult to obtain an annual report on the company's website uploads IDX so that financial statement data are obtained only as many as 85 pieces manufacturing

companies successfully downloaded for 2008, 2009, and 2009. It is suggested to the next researchers to increase the number of companies that are analyzed and extend the period of analysis. Events in the testing event study we used only the announcement PROPER announced by Ministry of Environmental. It is expected for the next researcher can use other environmental events, because large companies listed on the Stock Exchange are shipped PROPER participants is limited. So the results of the analysis to see the market reaction on the event can be more extensive and accurate.

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C A T I O N



COMMUNICATION, INTEGRITY  
AND ETHICAL ISSUES IN MEDIA:  
THE GROWTH OF  
INTEGRITY IN MEDIA INDUSTRY

# Indonesian Television News Performance on Freedom and Independence

Morissan  
Agustina Zubair

## Abstract:

*Currently, Indonesian media are free to produce almost any kind of content. However, a question looms whether the current political freedom could produce good and responsible media, which are capable to contribute to the quality of democracy. Free and independent media are good only if they support public goods including the betterment of democracy, prosperity, cultural understanding, human development, and so on.*

*This article is written based on a research conducted to examine the performance of Indonesian television media in era of liberalization. The study is conducted using the conception of media performance propounded by Denis McQuail (2000), and used to assess the quality and accountability of television news programs in supporting and upholding the principles of democracy. The topic is preeminent because there is no study so far which pay serious attention to the evaluation of media performance in post-authoritarian Indonesia.*

*It is not easy to see how the quality of freedom can be recognized in media content. However, several general aspects of news can be identified as indicating more or less freedom, or independent from commercial, political or social pressure. The ways media report the news can be used as indicators whether or not the media enjoy freedom and independence. The criteria used for assessments to include, among other things, willingness to express opinions, report conflict and controversy; follow a 'pro-active' policy in relation to source and; give backgrounds and interpretations as well as facts.*

*The methods used in this research is content analysis defined as a method of studying and analyzing communication in a systematic, objective, and quantitative manner for the purpose of measuring variables. The research question would be "What is the level of freedom and Independence of Indonesian national television news reports?" This research takes news programs in five national television stations as a sample.*

*Based on the data collected during the research and analysis on the data, several conclusion can be drawn as the following: the level of freedom, pertaining to the will of television station to broadcast news with conflict or controversies elements, was less free; the level of freedom, pertaining to stations' will to give background on news facts, was less free; the level of freedom, pertaining to stations' determination to give interpretation on news facts, was moderate; the level of independent, pertaining to whether television media were pro-active in chasing news sources (not relying on press handouts and public relations) was independent. (**Keywords:** television, performance, freedom)*



## 1. Introduction

The downfall of President Suharto, Indonesian last authoritarian leader, in May 1998 marked the beginning of freedom and transition to democracy in the country. A series of policy reform in almost all aspects of life came after the shift of political power, especially the press and media that enjoyed the freedom the most. During New Order era, media had lived under constant pressure for decades to conform to the government's political demand. The authoritarian government closely monitored media content for decades, and the departure of President Suharto allows the media to celebrate the new condition of being free of restraints.

During the restricted era, Indonesian media would face fatal consequences if they dared to ignore or underestimate government controls. Media were frequently subject to bans, without any recourse to open trial. The limitation toward media persisted until Suharto stepped down from power. The descent of the second president enables the media to grow exponentially.

The post-Suharto governments took a series of liberalization steps under heavy pressures from the market and the civil society. Since the new government no longer requires publishing license, the number of new mass media increased sharply after Suharto's fall in 1998.<sup>1</sup> In the broadcasting industry, five new private television stations had already entered the market, even before the parliament passed the new Broadcasting Bills in November 2002, competing on national basis with five earlier stations once controlled by Suharto's family and cronies.<sup>2</sup> In addition to the ten commercial television channels, all of them based in the capital city, a large number of

1 It is estimated that the number of newspapers soared to approximately 1.000 from around 300 during Suharto's era, and the number of radio stations rose to more than 1000 from 700 (Johannen and Gomez 2001:125, Hidayat 2002:3 in Gazali 2003:2). See Johannen, Uwe and James Gomez, *Democratic Transition in Asia*, 2001, Singapore: Select Publishing Co., also look Hidayat, Deddy N., *Media and Pandora Box of Reformation*, paper presented at the IAAS Conference on Globalizing Media and Local Society in Indonesia, Leiden University, the Netherlands, September 12. Also look Gazali, Effendi., *Negotiating Public and Community Media in Post-Suharto Era*, 2003.

2 The five new private television are: Metro TV, Trans TV, Global TV, TV 7 (now Trans 7) and Lativi (now TVOne)

regional stations have also entered the market.<sup>3</sup>

Currently, Indonesian media are free to produce almost any kind of content, and such media freedom has increased public awareness about politics and economic conditions of the country. However, a question looms whether the current political freedom could produce good and responsible media, which are capable to contribute to the quality of democracy. Free and independent media are good only if they support other objectives including the betterment of democracy, prosperity, cultural understanding, human development, and so on (Rozumilowicz, 2002:13).

In the process of media reform, the general assumption is that media should progress toward an ideal of freedom and independence and away from dependency and control. A media structure that is free of interference from government, business, or dominant social groups is more capable to maintain and support democracy and the related process of democratization. (Rozumilowicz, 2002:13).

The goal of media development in general within the context of supporting democratic transitions should be to move the media from one that is directed or even overtly controlled by government or private interests to one that is more open and has a degree of editorial independence that serves the public interest. The ultimate goal of media assistance --if the media is to have any meaningful role in democracy- should be to develop a range of diverse mediums and voices that are credible, and to create and strengthen a sector that promotes such outlets.<sup>4</sup>

This research looks at how broadcasting liberalization in post-authoritarian era may affect the performance of television stations primarily to news, information and opinion functions of media especially by examining the performance with regard to their freedom and independence based on the framework propounded by McQuail (2000) on media performance.

3 Unofficial data indicate that in 2010 there are at least 150 local commercial television stations throughout the country. Based on data obtained from a local television consultant Digibox Broadcast Solution, 2011.

4 The Role of Media in Democracy: A Strategic Approach (1999), p5. Center for Democracy and Governance, Bureau for Global Programs, Field Support, and Research, U.S. Agency for International Development, Washington, D.C.

Based on the above illustration, a formulation with regard to the objective of this research can be drawn as the following:

*To find out the performance level of Indonesian televisions in the era of liberalization?*

A research question can be drawn as the following:

What is the performance level of Indonesian television stations with regard to freedom and independence in the post-authoritarian era?

## 2. Literature Review

This research examines the performance of Indonesian television media in post-Suharto era. The study was conducted by using the conception of media performance propounded by Denis McQuail (2000). The study is used to assess the quality and accountability of television media in supporting and upholding the principles of democracy in a democratic society. The topic is preeminent because there is no study so far which pays serious attention to the evaluation of media performance in post-authoritarian Indonesia.

It could be said that this particular performance discourse is about the politics of media content. There is an extensive body of research into mass media content according to a number of normative criteria. This tradition of research is usually based on some conception of the public interest (or good of society) that provides the point of reference and the relevant content criteria (McQuail, 1992).<sup>5</sup> This part sets out to provide a general theoretical statement of the principles involved in assessing media performance.

### 2.1 Media Performance

According to McQuail (2000), the discussion about media performance is structured according to five main topics: media equality, media diversity, media objectivity, reality reflection or distortion, and media freedom and independence. In this paper, the last topic –media freedom and independence– is discussed

<sup>5</sup> McQuail, D. (1992) *Media Performance: Mass Communication in the Public Interest*. London: Sage, pp87-96.

separately in the next section since it is the primary focus of this research.

*Media Equality.* Equality supports policies of universal provision in broadcasting and telecommunication and of sharing out the costs of basic services. The expectation of fair access, on equivalent term, for alternative voices must be supported according to the principle of equality. As far as practicable, equality calls for an absence of discrimination or bias in the amount and kind of access available to senders or receivers.

*Media diversity.* The conception presupposes that the more different channels of public communication there are, carrying the maximum variety of content to the greatest variety of audiences, the better. Diversity stands very close to freedom as a key concept in any discussion of media theory (Glasser, 1984).<sup>6</sup> The principle of diversity is especially important because it underpins the normal processes of progressive change in society. This includes the periodic replacement of ruling elites, the circulation of power and office, and the countervailing power of different interests (McQuail, 2000).

*Media Objectivity.* According to McQuail (2000), objectivity is a particular attitude to the task of information collection, processing and dissemination, and a particular form of media practice. In relation to information quality, it can be said that objectivity is the most central concept. The main objectivity features include strict attachment to accuracy and other truth criteria such as relevance and completeness; adopting a position of detachment and neutrality towards the object of reporting.

*Reality Reflection or Distortion.* Media content may be based on what happens in reality but it singles out and highlights certain elements over others, and the media's own structural logic is imposed on those elements over others. According to Shoemaker and Reese (1991:33), reality is necessarily manipulated when events and people are relocated into news or prime-time stories.

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6 Glasser, T. L. (1984), Competition and Diversity Among Radio Formats: Legal and Structural Issues, *Journal of Broadcasting*, 28:2, pp127-146

## 2.2 Media Freedom and Independence

The spirit of free expression perhaps becomes the foremost expectation about media content, despite the many internal and external pressures received by media organization. It is not easy to see how the quality of freedom can be recognized in content, in this regard, the reference is primarily to news, information and opinion functions of media. Several general aspects of content can be identified as indicating more or less freedom from commercial, political or social pressure.

McQuail stated that freedom is a condition, rather than a criterion of performance. It refers primarily to rights to free expression and the free formation of opinion. However, for these rights to be realized there must also be accessed to channels and opportunities to receive diverse kind of information. Freedom of communication has a dual aspect: offering a wide range of voices and responding to a widen-ranging demand or need. Similar remarks are applied to the cultural provision of media, where independence will be associated with creativity, originality and diversity.

The following are the requirements for freedom (McQuail, 2000:167-168):

- Absence of censorship, licensing or other controls by government so that there is an unhindered right to publish and disseminate news and opinion and no obligation to publish what one does not wish to;
- The equal right and possibility for citizens for free reception of (and access to) news, views, education and culture (right to communicate);
- Freedom for news media to obtain information from relevant sources;
- Absence of concealed influence from media owners or advertisers on news selection and on opinion expressed;
- An active and critical editorial policy in presenting news and opinion and a creative, innovative and independent publishing policy in respect of art and culture.

Several general aspects of content can be identified as indicating more or less freedom (from commercial, political or social

pressure). According to McQuail, there is the general question of 'editorial vigor' or activity, which should be a sign of using freedom, and shows itself in a number of ways including:<sup>7</sup>

- Actually expressing opinions, especially on controversial issues.
- Willingness to report conflict and controversy.
- Following a 'pro-active' policy in relation to source (thus not relying on press handouts and public relations, or being too cozy with the powerful).
- Giving background and interpretation as well as facts.

The concept of 'editorial vigor' was coined by Thrift (1977) to refer to several related aspects of content, especially dealing with relevant and significant local matters, adopting an argumentative form and providing 'mobilizing information' referring to information which helps people to act on their opinion (Lemert, 1989).<sup>8</sup>

### 3. Methodology

As explained earlier, the topics of performance discuss some conception of the public interest (or good of society) that provides the point of reference and the relevant content criteria. In this research, the discussion about media and freedom performance is typically limited to news content since it is media's social responsibility to present merely facts to public.

The research method used in this particular topic is content analysis. There are many definitions of content analysis. Walizer and Wienir (1978) define it as any systematic procedure devised to examine the content of recorded information; Krippendorf (2004) define it as a research technique for making replicable and valid references from data to their context. Kerlinger (2000) said that content analysis is a method of studying and analyzing communication in a systematic, objective, and quantitative manner

7 McQuail 2000, p319

8 R Thrift, How chain Ownership Affects Editorial Vigor of Newspapers, *Journalism Quarterly*, 1977 and; Lemert, J., *Criticizing the Media*. Newbury Park, CA: Sage Publications, 1989 in Denis McQuail, *McQuail's Mass Communication Theory*, p319.

for the purpose of measuring variables.<sup>9</sup>

In general, content analysis is conducted in 10 discrete stages as a rough outline, and this research also follows the 10-steps of content analysis as suggested by Wimmer and Dominick (2011:160) as the following:

1. Formulate the research question or hypothesis : In this research, the research question would be "What is the level of freedom and independence of Indonesian Television News Reports"
2. Define the universe in question. All 10 major private television stations in Indonesia which broadcast nationally from Jakarta.
3. Select an appropriate sample from the population : Currently there are five large business groups, which become key players in Indonesian media industry. The big five control 10 national television stations and other types of media. They are: Media Group, Para Group, MNC Group, Bakrie Group, and Emtek Group. This research will pick up one TV station from each group as research sample, bringing total sample members of five TV stations.
4. Select and define a unit of analysis : Day and Evening news programs
5. Construct the categories of content to be analyzed : At the heart of this research is the category system used to classify television content. To be serviceable: a unit analysis can be placed in one and only one category (exclusive); there must be an existing slot into which every unit of analysis can be placed (exhaustive) and; different coders should agree in the great majority of instances about the proper category for each unit of analysis.
6. Establish a quantification (measurement) system : Quantification in this content analysis research mostly involve nominal data by simply counting frequency of occurrence of the units in each category, and every category is quantified.
7. Trains coders and conduct a pilot study : Placing a unit of analysis into a content category is called coding. Individuals who do the

<sup>9</sup> Walizer, M.H., & Wienir, P.L., (1978). *Research Methods and Analysis: Searching for Relationship*, Harper & Row; Krippendorf, K (2004). *Reliability in Content Analysis*. *Human Communication Research*, 30 (3), pp411-433; Kerlinger, F.N. (2000), *Foundation of Behavioral Research*, 4th Edition, Holt, Rinehart & Winston.

coding are called coders. This research also uses coders to do the coding. The number of coders involved in a content analysis is small; typically two to six coders are used. Careful training of coders is an integral step in any content analysis in order to reach research reliability. Inter-coder reliability refers to levels of agreement among independent coders who code the same content using the same coding instrument. This research utilizes Holsti formula of Inter-coder reliability,  $R = \frac{2M}{N_1 + N_2}$  where M is the number of coding decisions on which two coders agree, and N1 and N2 are the total number of coding decisions by the first and second coder, respectively.

8. *Code the content according to established definitions.* In this research, standardized sheets are used to ease coding which permit coders to categorize the data by putting check marks in predetermined spaces. The coding sheets are constructed in such a way to allow for rapid tabulation since the data are tabulated by hand. The following table below is a sample of standardized coding sheet (see Coding Sheet Sample below).

**Coding Sheet Sample**  
**News Program/TV station: Redaksi Sore/Trans 7 (27/6/12)**  
**News with or without conflicts or controversies**

No	News Topic	Coder Name							
		Muanisa		Vicky		Eraldhys		Maria Ulfah	
		conflict	Without conflict	conflict	Without conflict	conflict	Without conflict	conflict	Without conflict
1	Kebakaran pusat perbelanjaan		√		√		√		√
2	Unjuk rasa Mahasiswa	√		√		√		√	

$$\text{Reliability Holsti} = \frac{2M}{N_1 + N_2}$$

Muanisa – Vicky = 91%, Eraldhys – Maria Ulfah = 73%,

Average Reliability = 82%

9. Analyze the collected data : The descriptive statistics such as percentages, or means, are the most appropriate for this content analysis research. The data obtained from one news program on a certain television station then compared to one another.



10. Draw conclusion and search for indication.

**Key Concepts.** This research uses two important concepts: 'media freedom' and 'media independence'. The two concepts need to be clarified for the research operationalization as the following:

- Media freedom is the will or determination from television media to broadcast news with element of conflict or controversies, or disputes between two or more parties.
- Media independence is the will or determination from television media to take initiative in chasing news sources or to commit investigative reports.

### 3.1. Categories and Measurements of Media Freedom and Independence

Indicator :

- Media willingness to report conflict and controversy (freedom)
- Media give background and interpretation on news facts (freedom).
- Media pro-active in chasing news sources (independence).

#### Coding Sheet 1

Indicator : Media willingness to report conflict and controversy

Categories : Stories with, or without conflicting elements

Measurement :

- Any story with conflicting/controversy elements scored 1, any story without conflicting/controversy elements scored 0
- The more conflict and controversy news, the higher the score

#### Coding Sheet 2.1

Indicator : Media give background and interpretation on news facts.

Categories : Stories with, or without background

Measurement :

- Any story with backgrounds scored 1
- Any story without background scored 0
- The more backgrounds on news facts, the higher the score

#### Coding Sheet 2.2

Indicator : Media give background and interpretation on news facts.

Categories : Stories with or without interpretation

Measurement :

- Any story with interpretation scored 1
- Any story without interpretation scored 0
- The more interpretation on news facts, the higher the score

Coding Sheet 3

Indicator : Media pro-active in chasing news sources (not relying on press Handouts and public relations)

Categories : Pro-active, passive

Measurement :

- Any pro-active story scored 1
- Any passive story scored 0, any unclear story scored 0
- The more pro-active news stories, the higher the score

#### 4. Research Results

This research involves television news programs on five national television stations which is selected as a sample. The news programs were videotaped and the voice-overs -- information or remarks that are spoken on a television news programs by TV presenter or someone who is not seen on the screen – are transcribed to allow the analysis. As explained earlier, this research uses standardized sheets which permit coders to classify the data by putting check marks in predetermined spaces. Since the data are tabulated by hand, the coding sheets are constructed in such a way to allow for rapid tabulation.

With regard to the will of television stations to broadcast news with elements of conflicts or controversies, the data can be presented in the following table:

**Table 1. News with or without conflict/controversies**

No	TV Station/News Program	Indicator	
		Conflict	without conflict
1	SCTV/Liputan 6	11	24
2	TV One / Kabar Malam	12	12
3	RCTI / Seputar Indonesia	4	8
4	Trans 7 / Redaksi Sore	4	37
5	Metro TV / Metro Malam	32	13
Total		63	94

Based on the data displayed in Table 1, the level of freedom in relation to television stations' will to broadcast news with conflict or controversies elements can be determined as the following:

Score	Scale
127 – 157	very free
96 – 126	free
65 – 95	moderate
34 – 64	less free
0 – 33	no freedom

Content analysis on five television news programs conducted by the trained coders indicated that the level of freedom, pertaining to the will of television station to broadcast news with conflict or controversies elements, was at score of 63 which means LESS FREE.

With regard to whether television news programs' give background and interpretation on news facts, the data can be presented in the following two tables. The first table (Table 2.1) displays data pertaining to category of news: with or without background, and the second table (Table 2.2) shows data with regard to category of news: with or without interpretation.

**Table 2.1 News with or without background**

No	TV Station/News Program	indicator	
		With background	Without background
1	SCTV/Liputan 6	11	25
2	TV One / Kabar Malam	6	18
3	RCTI / Seputar Indonesia	4	4
4	Trans 7 / Redaksi Sore	16	28
5	Metro TV / Metro Malam	14	31
Total		51	106

Based on the data displayed in Table 2.1, the level of freedom with regard to television stations' commitment to give background on news facts can be determined as the following table:

Score	Scale
127 – 157	very free
96 – 126	free
65 – 95	moderate
34 – 64	less free
0 – 33	no freedom

Content analysis on five television news programs conducted by the trained coders indicated that the level of freedom, pertaining to stations' will to give background on news facts, was at score of 51 which means LESS FREE.

**Table 2.2 News with or without interpretation**

No	TV Station/News Program	indicator	
		With interpretation	Without interpretation
1	SCTV/Liputan 6	13	22
2	TV One / Kabar Malam	9	15
3	RCTI / Seputar Indonesia	7	5
4	Trans 7 / Redaksi Sore	27	17
5	Metro TV / Metro Malam	13	32
Total		69	91

Based on the data displayed in Table 2.2, the level of freedom with regard to the will of television stations to give interpretation on news facts can be determined as the following:

<u>Score</u>	<u>Scale</u>
127 – 157	very free
96 – 126	free
65 – 95	moderate
34 – 64	less free
0 – 33	no freedom

Content analysis on five television news programs conducted by the trained coders indicated that the level of freedom, pertaining to stations' determination to give interpretation on news facts, was at score of 69 which means MODERATE.

Pertaining to a question whether television media were proactive in chasing news sources (not relying on press handouts and public relations). The data can be presented in the following table:

**Table 3**

**Indicator:** Media pro-active in chasing news sources (not relying on Press handouts and public relations)

**Categories:** Pro-active, passive, unclear

No	TV Station/News Program	Indicator		
		Proactive	Passive	Unclear
1	SCTV/Liputan 6	24	0	12
2	TV One / Kabar Malam	24	0	0
3	RCTI / Seputar Indonesia	8	2	2
4	Trans 7 / Redaksi Sore	26	6	1
5	Metro TV / Metro Malam	18	17	10
Total		100	25	25

Based on the data displayed in Table 3, the level of independence with regard to whether television media were pro-active in chasing news sources (not relying on press handouts and public relations), the scale and score of media independence can be determined as the following:

<u>Score</u>	<u>Scale</u>
101 – 125	very independent
76 – 100	independent
51 – 75	moderate
26 – 50	less independent
0 – 25	no independent

Content analysis on five television news programs conducted by the trained coders indicated that the level of independent, pertaining to whether television media were pro-active in chasing news sources (not relying on press handouts and public relations), was at score of 100 which means INDEPENDENT.

## 5. Conclusion

Based on the data and analysis explained above, several conclusion can be drawn as the following :

- The level of freedom, pertaining to the will of television

station to broadcast news with conflict or controversies elements, was LESS FREE.

- The level of freedom, pertaining to stations' will to give background on news facts, was LESS FREE.
- The level of freedom, pertaining to stations' determination to give interpretation on news facts, was MODERATE.
- The level of independent, pertaining to whether television media were pro-active in chasing news sources (not relying on press handouts and public relations) was INDEPENDENT.

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# Yellow Journalism: Rethinking about Integrity of the Journalists in Indonesia

Iwan Awaluddin Yusuf, S.IP, M.Si.

## **Abstract**

*Framed by discussion of the Indonesian popular print media tradition and the role which the yellow journalism played in freedom of press era, this article focused on the critics of yellow newspapers operation which departing from the norms of serious journalism, particularly in its search for a sensationalized angle stories. The most disturbing aspect of the style of Indonesian yellow journalism is the way they present visualization technique with scare-heads, the lavish pictures, and cheap melodrama. It is clear that ethics, standards, and journalistic quality faced major challenges to the entire media profession. Economic-political interests have not always support the public education perspective in journalism activities. To fulfill this gap, the press should maintain its professionalism and its commitment to integrity that requires the alignment of ethics. This article deals with the sensationalism analysis that appears through dramatization, emotionalism, personalization, and opinion adding. The high percentage of sensationalism in those yellow newspapers is worthy of being given more attention by the media owners to improve their news quality based on standard of journalism. For this, the media is obligated to be professional and open to be controlled by public. One of the ways to guarantee press freedom and fulfill the public's rights to obtain quality information is that Indonesian journalists need to have the moral foundations and professional ethics as operational guidelines in maintaining public confidence and uphold their integrity and professionalism. On that basis, Indonesian journalists set and adhere to the Journalistic Code of Ethics as a guide in carrying out their profession.*

**Keywords:** *Yellow journalism, commitment to integrity, sensationalism, Journalistic Code of Ethics*

## 1. Introduction

The occurrence of Press Laws No. 40 of 1999 that marked the new era of press freedom post authoritarianism of the New Order has brought tremendous changes towards the dynamics of media life in Indonesia. The spirits to take advantage of that momentum of freedom in practices, however, have often turned out causing various paradoxes that are opposing the basic spirits and philosophy of journalism. One of which are evidents in the many indifferences towards journalistic standards in news writing. The freedom is now going on without equal escalations of professional efforts to stand true towards public's trusts by providing bombastic, melodramatic, mystical, and sexual exploitation contents. Media keen on the level of conflict disclosures merely to satisfy the low taste of their readers. This form of coverage is evident from the rise of sensational news stories that often appear in yellow newspapers.

One strategy that is often implemented by the yellow newspapers to maintain their readers' interest is by exploiting the sensational element of an event (Conboy, 2003, p. 56; Hatchen, 2005, p. 43). An event that is actually mediocre in reality is turned into something "extraordinary" by means of various techniques, verbally and visually. The main goal of this sensationalism is to attract attentions, using modus operandi of hyperbolizing real facts. Even though sensationalisms are sometimes justified in marketing or product packaging to attract potential consumers, sensationalism cannot be justified in journalistic spheres that emphasize objectivity.

The simplest form of sensationalism news can be seen in the writings of headline titles. In the efforts of winning vast readers, many newspapers apply bombastic, appalling and provocative ways of presenting headlines (McQuail, 1992, p. 233; Press Council Research Team, 2006, p. 2). These techniques produce headlines called *scare headlines* (Simaremare, 2001, p. 100-101). In addition, often sensational news is written by ignoring news writing standards, such as presenting short but incomplete reports (*meager reports*), relying only on one source (*one-sided information*), twisting the words (*spinning of words*), and the efforts to exaggerate events



(*exaggerations*). In Indonesia, since the beginning, these kinds of news can be seen from the reform euphoria that excites joy of being free from power shackles that lasted for more than three decades, which is then followed by a wave of news about the evils of government leaders and the past regime. Former Chairman of PWI, Sofyan Lubis (in Susilastuti, 2000, p. 232) lamented that in the reform era, the press tend to make news that are unnecessarily heating off the atmosphere. According to him, "*Headline titles are deliberately made spooky-creepy, providing super free contents written without regards to journalistic ethics.*"

Addressing the phenomenon of yellow journalism in Indonesia is not about right or wrong judgments on the existence of yellow newspapers because this phenomenon is a media reality, as part of the dynamics and history of the newspaper industry itself. Also, do bear in mind that early developments of journalism in its forbear countries (United States and Britain) cannot deny the contributions of yellow paper in maintaining readers' interest to buy newspapers, especially when the print media business suffered major depression in those countries. Thus, what needed is an effort to address the presence of yellow journalism in a proportional manner, as a logical consequence of freedom of information that is synergized with democracy system and free market mechanism.

## **2. Literature Review: Characteristics of Yellow Journalism**

The term "*yellow journalism*" itself came from the name of a colored comic character named Hogan's Alley that was appeared in Sunday World newspapers. Richard F. Outcault, the cartoonist, depicted the life of tenement dwellers in New York with a central figure of a toothless-rabbit teeth kid that was always grinning. When the child images appeared wearing long yellow dress which later became his trademark, he was nicknamed "*The Yellow Kid*." The comic was so popular that every newspaper used the comic strip to draw the readers and was then eventually labeled as "*Yellow Journalism*" (Conboy, 2003, p. 60; Vivian, 2002, p. 255; Baran, 1999,

p. 100).

The social setting that birthed the presence of yellow journalism was economic depression that hit the United States in 1893 until the end of 19th century. This economic depression forced newspapers owners to evaluate their newspapers performance in order to maintain the readers' interest purchasing power of the consumers, in addition to offset tough competitions from magazine industry. In Indonesia, since the 1998 reforms introduced the freedom of media, yellow newspapers were popping up in various forms, from bulletins, tabloids, magazines, to stencils whose in previous decades were already popular through pornography exposures.

Briefly, it can be formulated that the yellow newspaper is a newspaper which is less or tend to not heeding the general rules of applied journalism (Conboy, 2003, p. 56). Yellow newspapers coverage are based on illusion, imagination and fantasy which is known as journalism that sells sensations. So strong is element of sensationalism reside their news, making this element known as the characteristic of yellow journalism (Conboy, 2003, p. 56; Yusuf, 2006, p. 8; 2007, p. 8; 2008, p. 8; Adhijasasti & Riyanto, 2006, p. 118; Sumadiria, 2005, p. 40).

Besides the elements of sensationalisms and dramatizations in their news writing, another main characteristic of yellow newspaper is the use of visual aspects that tend to exaggerate, even keen on more dominant than the news texts itself. Examples of visual aspects used by yellow newspapers are: (1) *Scare-heads*; headlines that give the effect of fear, written in a very large font size, printed in black or red. Often contains frivolous news, (2) excessive uses of photographs and images, and (3) Sunday supplements, containing colored comics and trivial articles (Conboy, 2003, p. 57). Conboy (2003, p. 57) also added the verbal techniques inherent in yellow newspapers, bearing various types of impersonations and frauds, such as false stories and interviews, misleading titles, pseudo-science, even titles full of lies.

In addition to using the above techniques, yellow newspapers also focus their preaching on controversial issues to provoke debates

and gossips. Controversial issues are deliberately raised to attract as many readers as possible, especially those of middle-lower class in urban areas. Among the issues that often provoked controversies are those related to the elements of sex, conflict and crime or some people call it as HVS-9G (read as Nine Grams HVS)—a word games for Horror, Violence, Sex, Ghost and Glamorous, or HVSGG (Yusuf, 2010, p. 2). In America these newspapers also bear various nicknames, including *jazz papers*, *boulevard newspapers*, and *gutter newspapers*.

According to Adhidasasti & Rianto (2006, p. 116-117), the characteristics of yellow newspapers in Indonesia are focused on the first page. Related to this page, there are at least four prominent features. **First**, the installations of criminal events photos and pictures of women emphasizing on sexuality of the female body. **Second**, large headlines with striking colors such as red, blue, yellow, and green. **Third**, the number of news items on the homepage. If a newspaper usually bears a general set of five to eight items of news, the number of news displayed in the front page of yellow newspapers are ranging from 10 to 25 news items. The news format is very brief, often evens just the title and lead and then continued on pages inside.

Meanwhile, Sumadiria (2005, p. 40) stated, one of the characteristics of yellow newspapers are the use of journalistic approach that emphasizes the elements of sex, conflict and crime. These three themes frequently appear gracing the pages of yellow newspapers. Sumadiria added that this kind of media only raised low-taste issues and images. In addition, yellow press is also not credible since their opinions and facts are often merged, assimilated, obscured or even distorted. Standard rules of journalism is not required; news are not necessarily grounded in facts but could be based on illusion, imagination and fantasy. Sumadiria mentioned some layout criteria that are commonly implemented by yellow newspapers, among other things: presentation by exploiting many colors--all kinds of colors are displayed to attract attentions; irregular arrangements and overlapping titles; choices of words

are not needed since yellow press does not adopt proper writing titles patterns and word usages; anything can be used and tested (Sumadiria, 2005, p. 40).

### **3. Methodology: Identifying Sensationalism in Yellow Newspapers**

Starting from the existence of yellow newspapers that are allegedly featuring sensational language plays through dramatization style, emotionalism, and personalization in delivering their news, hence the attempts to examine sensationalism presented in yellow newspapers and how journalistic ethics overviewed needs to be done. Professional journalism, or often referred to as the ideal journalism, demands the existence of objectivity in news writing. The principle of objectivity must be met for a message to be accounted for. Among the requirements of an objective news are factual, accurate, complete, relevant, balanced, and neutral (McQuail, 1992, p. 196-204). McQuail argued further that the standard of objectivity of information would be obtained, among other things, by not presenting it in sensational manner (McQuail, 1992, p. 42).

The word "*sensation*" is English language in origin. The root of the word sensation--the "*sense*", is actually already enough to describe what we called as sensation news, that is, the news which contains and especially methods of presentation that are aimed to attract attentions, evoke feelings and human emotions. Thus, sensational news is supposed to be great, astonishing, made people struck with admiration and amazement, or horror. In short, it should be able to excite a variety of feelings (Kusumaningrat and Kusumaningrat, 2005, p. 66-67).

To identify patterns of news sensationalisms, we can use sensationalism concept which was elaborated from Denis McQuail as outlined in the book titled *Media Performance* (1992, p. 233). McQuail (1992, p. 233) gave three dimensions to assess the presence or absence of sensationalism in reporting, that is personalization, emotionalism, and dramatization. McQuail formulation was then

made operational by the Press Council Research Team (2006, p. 24-25) as a frame of reference for research on the objectivity of news in Indonesian newspapers.

To complete formulations from McQuail (1992) and Press Council Research Team (2006) about sensationalism in news writing, this paper adds a new relevant dimension to observe the patterns of yellow newspapers' headline sensationalisms, namely *opining*. Discussion about opining in researches regarding sensationalism becomes critical because in practice, presentation of sensational news always tinged with opinions from the involved reporters, or at least the efforts of mixing facts and opinions rather than the actual reality in an objective manner (Adhiyasasti and Rianto, 2006, p. 123).

Complete comprehension regarding the four dimensions that can be used to identify patterns of news sensationalisms are explained as follows (Yusuf, 2010, p. 8-11): **First**, sensationalism is seen by the presence or absence of **dramatization**. Dramatization can be understood as a form of presentation or news writing that is dramatic in nature and exaggerating facts with the intention of causing dramatic effects to his readers (Press Council Research Team, 2006, p. 25). This dramatic effect is believed to help the readers to be more "*lively experienced*" the live events being presented. Dramatization is indicated from the existence of hyperboles—that is, a language style intentionally used to overstate or exaggerate an actual event.

**Secondly**, sensationalism is seen by the presence or absence of **emotionalism**. Emotionalism can be defined as the efforts of protruding aspects of emotion (love, hate, sadness, joy, anger, despair, and so forth) rather than rational and logical aspects in presenting a story (Press Council Research Team, 2006, p. 25). Although the use of emotionalism may be able to "live-up" a story, aspects of neutrality and objectivity in news reporting demand a presentation spoken with control and rational logic (Press Council Research Team, 2006, p. 25).

**Third**, sensationalism is seen by the presence or absence of **personalization**. Personalization can be defined as a view to

see a particular individual as the main actor or the single most influential person in an event. In other words, personalization can be interpreted as a view that reduces an event to an individual (person). Grammatically, it is also called *pars pro toto*. Personalization built through the mass media can also led to individual occultism (Press Council Research Team, 2006, p. 25).

**Fourth**, sensationalism is seen by the presence or absence of opining. It can be interpreted as reporter's opinions in the news. Opining is also interpreted as mixing between facts and opinions that obscures the real facts. In standard conception of journalism, providing opinion is forbidden because the task of a journalist is solely to report facts. But most journalists cannot help but doing so, due to many factors, starting from the spirit of dedication to defend public interests, to simply baseless opinion to embellish a story and make it sensational.

#### **4. How Is Sensationalism Found Inside The News?**

The use of sensational language on yellow newspapers is shown by their main strategy to attract and retain readers' interest in exploiting sensational elements of an event (Conboy, 2003, p. 56; Hachen, 2005, p. 43) Pretty often yellow newspapers reported certain issues which were only limited to the extent of conflict disclosure without facts and relevant supporting evidences. The tendency of such negative news is allegedly an instant way to satisfy the desires of the media consumers (readers and advertisers). This view is also consistent with Fung's (2006, p. 190) who theorized that sensational languages are often written not based on sound reasoning or logic, as solely intended to ignite curiosity, emotion, empathy, even sensual pleasure for the readers.

For example, the followings are observations made on page 1 of 7 yellow newspapers headlines bearing sensational nuances in several regions in Indonesia, as seen in Table 1.

**Table 1. Sensationalism of Headline Titles**

No	Newspaper	Edition	Headline
1	<i>Meteor</i>	Monday, 13 June 2005	"Step son Chopped-up with Machete"
2	<i>Meteor</i>	Monday, 13 June 2005	"Rammed by Truck Mr. Carik's Legs Crushed"
3	<i>Pos Kota</i>	Friday, 20 May 2005	"A Master Raped His Maid 6 Times"
4	<i>Pos Kota</i>	Friday, 20 May 2005	"Father-Son Died Rammed by Truck"
5	<i>Merapi</i>	Tuesday, 17 May 2005	"Pretty Woman Filched Clothes"
6	<i>Merapi</i>	Tuesday, 17 May 2005	"Green Underpants Thief Roams"
7	<i>Memorandum</i>	Tuesday, 10 May 2005	"Horse Nurse Bit by Horse"
8	<i>Memorandum</i>	Tuesday, 10 May 2005	"Keeping Hostess, Smacking Wife"
9	<i>Lampu Merah</i>	Monday, 4 April 2005	"Woman Introduced Woman to Her Friend, The Woman's Husband Furious, The Man's Head Was Split With Machete"
10	<i>Lampu Merah</i>	Wednesday, 20 April 2005	"7 Year Old Boy Sodomized by His Teacher, Said So He'd Be Good in English"
11	<i>Posko Manado</i>	Thursday, 21 April 2005	"This the most hootie, dude...!!"
12	<i>Posko Manado</i>	Thursday, 21 April 2005	"Shot by A Friend From 1 Meter Distance, The Head Was Holed, Wargariri Man Dropped Dead by Hot Lead"
13	<i>Pos Metro</i>	Tuesday, 31 August 2004	"2 Girls Were Forcedly Touched "
14	<i>Pos Metro</i>	Monday, 26 July 2004	"Mother Burnt Baby"

Headlines shown in Table 1 clearly show visible efforts of



exaggerating facts by means of language plays (read: word games). Charnley and Charnley in their book *"Reporting"* (1979) mentioned that the newspapers actual sin lies not in the actions of reporting sensational events, but by making the stories to be more imposing than reality. As an illustration, the following is a quote that accentuates vulgarism written by *Lampu Merah*: *"The woman's ass was bleeding, and sperm fluids were seen surrounding her vagina..."* (*Lampu Merah*, August 30, 2008), or in the following excerpt: *"Arriving at home, Fera complained to have just been forcedly raped by Rusmin. And her vagina is smeared by Rusmin's sperm."* (*Lampu Merah*, August 29, 2008) is actually not much different in terms of vulgar words usages as depicted by Shaw (1984, as quoted by Adhijasasti and Rianto, 2006, p. 114) to model the dramatization techniques accompanied by vulgarisms on news writing regarding crime stories in yellow newspapers in United States, such as: (1) *"Park then inserted a bar of soap into her pussy..."* (Nashville Banner newspaper, published without time stamp) (2) *"[They] ... sodomized her and forced her to commit oral copulation [and he]...urinated on her..."*.

Judging from the technical aspects of news writing, yellow newspapers are often violate the rules of news writing that—in theory—demands an efficient use of journalistic language, which is simple, concise, dense, and clear (Fink, 1998; Salzman, 1998; Mencher, 2000; Cappon, 2000; Burns, 2004; Newsom & Wollert, 1985; and Dale & Pilgrim, 2005). In practice, though, the sensationalism are shown by yellow newspapers through the use of syntax patterns at the level of words, phrases, and sentences that in the end creates the sensational language, by highlighting the dramatization, emotionalism, personalization and opining. This condition is consistent with the views of DeFleur and Ball-Rokeach (1989, p. 267), which states that for the mass media, the existence of language is no longer solely means as a tool to describe an event, but could actually shape the image that will appear in the minds of audiences, including to attract attentions, evoke feelings and human emotions as the purpose of sensationalism itself, which according to Kusumaningrat and Kusumaningrat (2005, p. 66-67) is called as

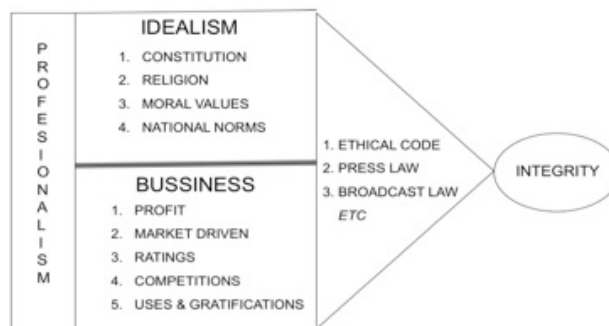


"must be able to excite a variety of feelings."

An example of opining in yellow newspapers can be seen from the quote: *"O, how poor is the fate of this old widow. While boiling the noodles in her house...she fell and knocked the stove off until her body was on fire, etc."* (Pos Kota, July 27, 2004). The first sentence is clearly an opinion of the journalist. New facts presented in the second sentence and so on and so forth. Similar examples are also shown in Meteor news on August 1, 2008, entitled *"It's Time for Parliament Members to Perform Junub Bath, Their Wealth are filth, Their Life As Well"* with the lead as follows. *"Corruption scandal involving the entire congregation members of the House of Representatives Commission IX 1994-2004 periods is really disgusting. Parliament members are smeared with corruptions, womanizing out of corruption money. Their body is filth. Hence, it's time for their junub bath."*

## 5. Yellow Journalism and Journalistic Code of Ethics

In performing their functions, rights and obligations, mass media--including yellow newspapers, must respect the rights of their readers. For this the media is obliged to be professional and open to be controlled by society. One of the ways to guarantee press freedom and fulfill the public's rights to obtain quality information is that Indonesian journalists need to have the moral foundations and professional ethics as operational guidelines in maintaining public confidence and uphold their integrity. On that basis, Indonesian journalists set and adhere to the Journalistic Code of Ethics as a guide in carrying out their profession.



Picture 1. Professionalism and Integrity in the Media

Based on the joint decision bridged by the Press Council in Jakarta, on Tuesday, March 14, 2006 attended by various components of journalists who were represented by 29 journalists associations, both print and electronic, all involved are agreed to the implementations of the 11 Articles of Journalistic Code of Ethics, namely:

- a. Indonesian journalists must be independent, resulting in news that is accurate, balanced, and do not act in bad faith.
- b. Indonesian journalists work professionally in carrying out journalistic duties.
- c. Indonesian journalist always test information, provide balanced presentation, not confusing facts and opinions resulting in judgmental news, as well as applying the principle of presume innocence.
- d. Indonesian journalists do not make false, slander, sadistic, and obscene news.
- e. Indonesian journalist do not reveal and broadcast the identity of rape crime victims and do not reveal the identity of children who commit crime.
- f. Indonesia journalists do not abuse their profession and do not accept bribes.
- g. Indonesian journalists have the deny rights to protect source persons who are not willing their identity or whereabouts to be known, respect the provisions of the embargo, background information, and "off the record" according to the agreement.
- h. Indonesian Journalists do not write or broadcast news based on prejudice or discrimination against someone on the basis of differences in ethnicity, race, color, religion, sex, and language and do not demean the weak, the poor, the sick, handicapped or mentally disabled people.
- i. Indonesian journalists respect the rights of source persons about their personal life, except in the name of public interest.
- j. Indonesian journalists immediately revoke, correct, and rectify false and inaccurate news, accompanied with an apology to the

readers, listeners, and/or viewers.

- h. Indonesian journalists must proportionally serve the rights of answering and correction.

Of the above 11 chapters, if associated with ethical judgments towards the performance of yellow journalism in Indonesia, as evidenced by the characteristics inherent in this type of newspaper, then there are several articles with each respective interpretation that are often violated or at least prone to abuse, such as Article (1), Article (2), Article (3), Article (4), Article (5) and Article (9). Although still not denying the possibility of violations of the other articles. The brief explanations are as follow:

In Article 1, point *"...resulting in news that is accurate..."* indicates that Yellow newspapers often violate the accuracy of news. The definition of accurate news in this regard is such as the interpretation of Journalistic Code of Ethics: *"trusted to be accurate based on objective circumstances when the event occurred."* So, by looking at the many practices of dramatizations, sensations and the use of anonymous sources in reporting, it can be assumed that the practices of yellow journalism often lead to violations of this code.

In Article 2, as the interpretation of professional ways depicted in point (d) and (e), which reads *"resulted in a factual and clear news source"* and *"the engineering recording and loading or broadcasting images, photographs and sound comes with description of sources and displayed in balance"*. Barring intention to generalize, there are many yellow newspapers reports that lead to violations of this code, for example, news writing with just quoting from one source (*one sided*). Sometimes even the source is not clear as to be confusing when it is time to re-checking. Also frequently encountered is the displaying of images without source and date, as well as providing certain effects (*retouching*) on the photo or image that is displayed to give dramatic impressions.

In Article 3 it reads, *"...always test information, provide balanced presentation, not confusing facts and opinions resulting in judgmental*

*news, as well as applying the principle of presume innocence.*" Interpretations of this article are (a) *examine the information*, then do *check* and *recheck* the truthfulness of the information, (b) *balance* means to give space or coverage time to each party proportionally, (c) *judgmental opinions* are personal opinions of reporters. This is different from interpretative opinion—that is, the journalists' opinions in the form of interpretations of the facts, (d) *the principle of presume innocence* is a principle not to judge someone. The news on yellow newspapers contain mostly of contents mixing between fact and journalists' opinions, although the levels are not always great. In addition, sometimes it is not clear the relevance between news sources with the ones being reported. Related to the prohibition of a verdict by a journalist (*trial by the press*), it also becomes a habit that is often done, for example in cases of corruption, journalists point out a person as the main perpetrators, despite the fact that the status is merely a defendant and has not yet been proven by the court.

In Article 4, which reads, "*...do not make false, slander, sadistic, and obscene news.*" Considering the various concerns and public reaction, as well as media watch monitoring for the contents of yellow newspapers featuring pornography and violence, then this practices lead to violations of the things mentioned in the Journalistic Code of Ethics in Article 4, especially the interpretation of points (c) and (d) about *sadistic* and *obscene*. The complete interpretation of Article 4 reads as follow: (a) *lie* means something that is already known before by journalists as being not in accordance with the facts occurred, (b) *slander* means the groundless charges made deliberately with bad intentions, (c) *sadistic* means the acts of cruelty know no mercy; (d) *obscene* means lewd behavior in an erotic depictions using photographs, images, sounds, graphics or written form, solely to arouse lust.

In article 5 which reads, "*...do not reveal and broadcast the identity of rape crime victims and do not reveal the identity of a child who commits crime.*" The interpretation of this section: (a) *Identity*, it means all the data and information concerning a person who

allows others to track that particular person easily. (b) *Child* here is a person who is less than 16 years old in age and is unmarried. Avoid character assassination and news that is badly impacting the future of children, both victims and perpetrators of crime. This is often overlooked because of yellow newspapers emphasizing largely on informative side. So far, the journalists care only to protect identities involving cases of rape, while other themes are less observed.

Lastly, Article 9, which reads "*...respect the rights of source persons about their personal life, except in the name of public interest.*" This code is almost always violated by yellow newspapers in forms of gossips and infotainment news especially involving artists and official persons. Journalists often do not consider personal and private aspects of the source's life. Starting from the way the information is requested to the how image is taken--all in ways that tend to be unethical. Personal and/or private life as interpreted in Article 9 means any aspect of a person's life and his family other than those related to public interest.

Thus concludes some Journalistic Code of Ethics that are often violated by the mass media, especially by yellow newspapers in Indonesia. It should be underlined that not only the yellow newspapers but even those labeled as quality newspapers are pretty often commit similar violations. The above descriptions do not describe per case of ethics violations that occurred, merely a general picture of it.

## **6. Conclusion**

In the working integrity of journalism, journalists must avoid sensational presentation of the news, as the Fink's view (1995, p. 63-64) that states that since the beginning, the ethics of writing news are closely related to the selection of news sources and how the quotes are selected. News sources are very influential in the formation of public opinions, while the selection of quotations by journalists in pursuit of sensation could be a "*trap*" in itself and has the potential to hide certain opinions of a specific resource (the sin

of disguised opinion).

Seeing the “*danger*” that can be generated by the selection of quotations loaded with journalism sensationalisms, yellow newspapers are supposedly able to maintain objectivity. Objectivity relates to media neutrality in reporting an issue. However, it must be admitted that there is no way any media coverage could be one hundred percent pure objective and neutral. Nevertheless, the media could attempt to optimally approach that particular objective attitude. Moreover, in general, yellow newspapers still have to go back to their root functions as the mass media. As said by Robert F. Kennedy (in Rivers, Jensen, & Peterson, 2003, p. 99), “*Newspaper is proportional to the courts, sometimes even more so, in protecting the fundamental rights of the people.*” Robert Kennedy’s opinion is closely tight with media responsibilities in the life of a free society.

Related to this, commitment to the Code of Journalistic Ethics is badly needed for journalist to get public trustworthiness. Compliance with the Journalistic Code of Ethics is reflected the commitment to integrity, means that journalists are competent and responsible. Journalists are committed to their integrity by doing their professions with honors and taking public purposes as a priority rather than chasing the sensationalism.

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# Implementing Integrity of Environmental Journalism

A case study of Indonesian environmental journalists' performance, ethics, professionalism and integrity amongst complex public interests

Nevrettia Christantyawati, MSi

## Abstract

*Many scholars and journalism practitioners criticized that the integrity of Indonesian journalists has been deteriorating. Related to this, there are three factors which affect the journalists' performance in various aspects. Firstly, it concerns about the journalists' professionalism that related to a good integrity. Secondly, a press democracy is considered very important. Thirdly, a press welfare influence journalism performance and motivation totally.*

*To some extent, the importance of environmental journalism is slightly ignored by a lot of media institutions. Many of them believe that environmental journalism is not as important as political issue or other public interests. Hence, it is obviously proved by only a few spaces or portions for natural disaster reporting. As a result, many environmental journalists declare about establishing several independent communities. Furthermore, this situation considerably concerns many new problems about integrity, ethics, and interests as well. This is because most of them use new media communication that vague ethics might exist. Since, code of ethics for environmental journalism was ratified at the 6th World Congress of Environmental Journalists held in Colombo, Sri Lanka, on October 19 – 23, 1998, the implementation of those principles in environmental journalism practices is doubtfully well done in Indonesia.*

*In brief, this proposal is to scrutinize and analyze the implementation of environmental journalists' integrity on their practice. The main focus on this is basic implementation environmental journalism ethics and integrity on journalism education systems. Moreover, it is indispensable to review basic problems on environmental journalism values, the standard of competence in journalism curriculum, hand in hand the public awareness and generate better improvement in order to enforce excellent environmental journalism.*

**Keywords:** *environmental journalism values and performance; professionalism, integrity and ethics in environmental journalism; public awareness and public interests; journalism education curriculum.*



## 1. Introduction

As many natural disaster and environmental degradation has been occurring related to numbers of factor, environmental journalism leads to a crucial development. Not only in Indonesia but also in global area face the urgent problem due to communicating this risk and environmental problems. Environmental journalism concern about the way how to raise environmental problem and how to deal with the effect of public awareness.

Many scholars and journalism practitioners criticized that the integrity of Indonesian journalists has been deteriorating. Related to this, there are three factors which affect the journalists' performance in various aspects. Firstly, it concerns about the journalists' professionalism that related to a good integrity. Secondly, a press democracy is considered very important. Thirdly, a press welfare influence journalism performance and motivation totally.

This statement was raised by Aliansi Jurnalis Independen (Independent Journalists Alliance) Indonesia that has discovered the fact about depreciating integrity amongst many Indonesian journalists. On the other hand, the fact which shows the declining integrity is not sufficient enough to be proved. Despite of consideration, this statement needs to be supported by valid and reliable data. However, the statement about the deterioration of integrity should be highlighted and put up as prior agenda. The reason for this is should be charged as a responsibility to improve the performance of many environmental journalists.

The result of my previous studies on media performance in natural writing about flood disasters and other hazards revealed that environmental journalism in Indonesia has a necessity to strengthen focus on human welfare. Despite of reporting victims, damage and ruin, media seems to exaggerate and report beyond the actual fact. In this occasion, they did for increasing remarkable sales points and high rating. Obviously, it contradicts the ethics they ought to perform.

As an example, a case of taking legal action between RCTI as a well expanded media against KPI or Indonesian Independent

Broadcasting Commission. The Indonesian Independent Broadcasting Commission sued RCTI for exaggerating journalism practice in reporting Merapi Volcano eruption in 2011. KPI learned the fact that RCTI's program named 'Silhouette' had reported a misleading fact, in this occasion was referred to a mystic and occultism. The result of this exaggeration news blew up a crisis of public fear. Instead of casting frightening news which mislead to a public terror, KPI sued RCTI for journalism code of ethics and infringe the public rights. On the other hand, RCTI defended them, that the 'Silhouette' was not a journalism practice but only an entertainment program. Nevertheless this statement was annoying and erroneously as a big media enterprise, RCTI won the court trial.

This case occurred in 2011 when the public chaos facing natural disaster of Merapi volcano eruption in Central Java Indonesia. At this moment, the public preparedness and resilience against natural disaster was a crucial issue. A substantial public necessity for obtaining information and news reportage was some mitigation or encouraging stories dealing with fear and entropy. However, the media ignored this vital issue and perceived chaotic circumstance as a business opportunity rather than moral responsibility of providing public information and conveyed an excuse for that was an entertainment purpose only. For this reasoning, RCTI had interviewed an occultist as a source. During the interview, the controversial statement had misled public perception into a superstitious circumstance as well as triggering public fear to flare up. In addition, indigenous people of Central Java have a strong belief about nature which is very superstitious and mythical valences. This was really an exacerbating chaotic atmosphere when the Silhouette told stories about ancient curse rather than encouraging them to face and deal with natural disaster.

Related to this case and perhaps more similar cases due to journalism ethics and integrity, many journalism practitioners until nowadays, argue and debate about the determination of entertainment and journalism. Yet, both of these groups juxtapose the term of true journalism and entertainment program so that they

should review the basic ethics of communication and the journalism integrity beyond media interest and other vested interest.

To some extent, the importance of environmental journalism is slightly ignored by a lot of Indonesian media institutions. Many of them believe that environmental journalism is not as important as political issue or other public interests. Hence, it is obviously proved by only a few spaces or portions for natural disaster reporting. As a result, many environmental journalists declare about establishing several independent communities. Furthermore, this situation considerably concerns many new problems about integrity, ethics, and interests as well. This is because most of them use new media communication that vague ethics might exist. Since, code of ethics for environmental journalism was ratified at *the 6th World Congress of Environmental Journalists held in Colombo, Sri Lanka, on October 19 – 23, 1998*, the implementation of those principles in environmental journalism practices is doubtfully well done in Indonesia.

This skepticism could do with looking up the actual performance of Indonesian environmental journalists' performance. Since there are only a few of environmental journalists have shown their performance, then it is necessary to scrutinize and observe their performance on retaining natural writing according to the eight principles of code of ethics for environmental journalism. It is discovered by searching on the internet, that there are only three groups of environmental journalists mainly active. First, is SIEJ (Society of Indonesia Environmental Journalists) which was situated on <http://www.siej.or.id> and this group has some affiliation groups. But, concerning about their performance in posting environmental news, it has a lot of consideration to learn further about this organization. Secondly, is KJPL (Community of Environmental Caring Journalists) that everybody can visit their sites on <http://www.kjpl.or.id> . This organization really concern about issue on environmental degradation and quality of urban life as an effect of surrounding drawbacks. Thirdly, is Green Press which can be search on <http://www.greenpress.wordpress.com> .

This group writes the posts mostly about criticizing the state policy due to natural preservation and environmental sustainability. Among these three groups, KJPL is mostly active and this group has a good affiliation to their peer group as well as networking and have a prompt action to cover local issue on natural damage and rapidly post the coverage on their sites.

## **2. Literature Review**

### **2.1. Environmental journalism values and performance**

Since many regions in Asia Pacific face problems due to environmental degradation and climate-change as well, environmental journalism is strongly urgent to contribute rapid solution. It is clearly stated as a record in many countries that reporting the surrounding facts is not very simple thing. Hence, it always concerns about human welfare, conflicts and various vested interested. In addition, reporting a hazard is risky as it may distinct public fear and occasionally contradict other issue such as human rights, racism, and so on (Carthew & Linnarz, 2009).

Considering about the power of media that is strongly powerful affecting and influencing people, media tend to deploy this aspect as an agent of change and watch dog in order to guard the good governance. In that case, it is remarkable for both journalists and media to practice fair and implemented balanced journalism in all of journalism cores. Instead of arguing the difference between environmentalist reporter and environmental reporter (Ward, 2008), it is remarkable to view the proposal of new model of environmental reporting. Carl Frankel suggested in his book that in the future the new kind of environmental reporting is termed as sustainable journalism. This model consists of best aspects of traditional journalism; educate people in balanced way, and supporting dialogue (Frankel, 1998). *Professionalism, integrity and ethics in environmental journalism.*

Other skepticism is also stated by Triyono Lukmantoro that he shows severe cases about environmental journalism practices in Indonesia. The fact findings are very discontent. It was revealed

that many media are not familiar with environmental journalism and they tend to react at once, seldom to anticipate the catastrophe (Lukmantoro, 2009). In addition, it is a negative habit of journalism practice to overview the sensation of blown up stories. In that case, it is very difficult to implement good environmental journalism.

To support this idea, Frank Edward Allen has stated that the reason why it is difficult to perform environmental journalism is because of three excuses. First, is about capitalism and ownership of media enterprises. Second, the values of tabloids irritate detrimentally standard and decisions news reporting. Third, the bad habits in editorial rooms are potent to eradicate respectable public discourse (Allen, 2000). Just because some skeptics say about negative aspects, it does not necessarily means that environmental journalism practices all over the world is extinct. Absolutely, it remains a good opportunity to recover and revitalize them by implementing proper moral responsibility ethic as a strong basic of integrity.

The following are the eight principles that constitute the code of ethics agreed upon for environmental journalists at the 6th World Congress of Environmental Journalists held in Colombo, Sri Lanka, on October 19 – 23, 1998.

1. *The right to a clean environment and sustainable development is fundamental and closely connected to the right to life, good health and well being. Environmental journalists should inform the public about threats to the environment, whether it is on the local, regional, national or global level.*
2. *Often, the media is the only source of information the public has about the environment. The journalist's duty is to heighten public awareness about environmental issues. Environmental journalists should strive to report a variety of views about these issues.*
3. *By informing the public, the journalist plays a vital role in enabling people to take actions to protect the environment. The journalist's duty is not only to alert people about threats to the environment but also to follow up on such threats with additional reporting. Journalists should also write about possible solutions to environmental problems.*
4. *Journalists should not be influenced on environmental issues by vested interests, whether they are from political,*

*governmental or from non-governmental organizations. Journalists ought to keep a distance from such interests and not become an ally of them. Journalists should remain independent and report all sides of any environmental controversy.*

5. *Journalists should cite the sources of their information and avoid alarmist, speculative and biased reporting. Journalists should cross-check the authenticity and accuracy of information provided by all sources.*
6. *Environmental journalists should foster equity in gaining access to environmental information and should help journalists in developing nations gain access to the same information. Electronic retrieval of data via the Internet is a particularly useful and egalitarian tool.*
7. *Journalists should respect the right to privacy of individuals who have been affected by environmental catastrophes and natural disasters.*
8. *Environmental journalists should correct information that later proves to be incorrect or biased.*

Indonesia has enacted press and media regulations, journalism code of ethics, and press law. On the other hand, this particular code of ethics for environmental journalism to be uncoordinated and detrimentally neglected by many media. They perceive this code of ethics as a global view and similar ethics as conventional journalism code of ethics. Generally, it is remarkable that practical journalism had three basic tradition cores which are deontology, utilitarian, and communitarian. Best suits environmental journalism is communitarian tradition that concerns about content deliberation and flexibility of public discourse (Haryatmoko, 2007).

#### *Dealing with public awareness and public interests*

Basically, the most powerful key to obtain successful environmental reporting is winning public awareness and meet complex public interests as well. The opportunity to gain this formula is challengeable for most journalists in this entire world. The reason to support this statement is because winning public awareness and construct public opinion extremely well can assist raising environmental issue as well as progress the development. By

doing this, environmental journalists are possible to impede many negative actions and counter the strikes from the contrary groups. Moreover, they contribute to stimulate public actions to intact the nature.

Certainly, risk communication which occasionally environmental journalists get involve within, focuses on the way to raise, deal with and address problem due to public security. The entire activities here concern about diminishing public fear essentially because of environmental threats. In addition, fear is associated to accomplish necessity and meet the demand. The consequences of this, is political battle and risk discourse (Plough and Krinsky: 1995). Therefore, risk communication should be executed in particular techniques. Also, it is considerably practical to accomplish the frameworks by some rationality assessments, such as technical, political, economical and cultural rationality.

The other key factor is public trust. In this context, trust plays an important role to achieve public acceptance and gain more confidence. As a result, the whole participants should contribute the deal in the fairness, competence and efficiency. Moreover, the deals are able to generate three favorable techniques. These are deliberative techniques in which using democratic power; technocratic measurements in which the scientists and experts necessitate risk assessment and rational risk strategy in which collaborating with the whole participants. (Lofstedt: 1998). According to this, an environmental journalist should keep notice to copy sound-bites statement from a reliable and credible source.

It is a simple brief linear process to comprehend how risk communication works mechanically. Firstly is an accurate planning for preparation. Secondly, it is how to spread the information or dissemination. Eventually, the recipients must be able to help solving the problem. Yet, they have limited available knowledge and various values and interests. This is risky because in some occasion the communication barrier can lead public and media to exaggerate the problem (Harrison, Goldstein: 1990).



However, to balance the communication distortion, initiating dialogue is an effective way to obtain mutual understanding. Related to this, dialogue is more preferable to overcoming the difficulty because of reciprocal situation between sender and recipients. Doing this can eliminate several misunderstandings. If some obstacles in communication process are capable of being diminished, the more opportunities of successful communication will be won (Kincaid; 1950). Initiating dialogues here means that environmental journalists should balance the information and be responsible for public feedback and interact fairly with all stakeholder and peer groups. Ropeik has notified that public 'fear factors' which written as a headline, are potent to grab readers' attention. On the other hand, it is always risky dealing with public fear no matter excuses for increasing rates. This is because dealing with public fear is similar thing as speculating public trust winning (Ropeik, 2008).

## **2.2 The emergence of journalism education curriculum.**

A National Conference and Workshop on Journalism Education in Indonesia was held on April 13th to 15th 2007 in Yogyakarta. In this moment, it was revealed eight major crucial problems of journalists' integrity. These drawbacks consist of, the scarcity of high competent journalists who are capable to contribute the press progress. Secondly, there are many journalists do not comprehend the press rules and code of ethics. Thirdly, there are number of incompetent journalists are employed. Fourthly, this country has a limited amount of smart journalists. Fifthly, many 'enveloped journalists' contribute the independency, impartially and integrity. Sixth, it was found from PWI (Association of Indonesia Journalists) that most 80 percents of bad journalists practice black mailing. Seventhly, still there are some opportunists who abuse their profession just for extra money and manipulating intrigue and politicians who use press as public relations. This practice is detrimentally irritating press democracy, and also as a hindrance that must be eradicated. Finally, the vulnerability of professional journalists in defending and protecting them against violence is very minimal (Batubara: 2007). Moreover, the emergence of proper journalistic education is



available to support the performance of environmental journalists. It is related to the danger of shortage proficiency in environmental science (Bast, 2000; Pravat, 2003).

Related to these integrity crisis, Asosiasi Pendidikan Jurnalisme Indonesia ( Association of Indonesian Journalism Education has affiliated to many education and press institutions to stimulate the growth and monitoring the journalism education which should refer to UNESCO Journalism education Curriculum. Essentially, it is related to ethics of journalism which is vitally important (Nasution &Gunawan, 2007). They are still working on preparing best design which fit and proper Indonesian Journalism Education System.

### **3. Methodology**

This research was conducted in qualitative methods which the main purpose is to figure out the case of environmental journalism performance in Indonesia. Since there are only a few of groups in environmental journalist organizations, this research is accomplished by observing, and interviewing intensively the KJPL chief and members. The focus on the research is to analyze the whole integrity and ethics that they conduct in their jobs. How they maintain their great effort in order to pursue the goals and reporting stories. How robust they are to scrutinize a legal dispute and environmental hindrance to pose a crisis. Also, it is interesting to learn about how they deal with terror and henchmen who were sent to terrify these journalists to stop covering and reporting certain institution. Moreover, it is considerably important to find out their peer groups as a networking.

Nevertheless, it is indispensable to reveal, that during performing their job as a reporter, a proper knowledge about both journalism and environmental science is urgently required. Most of them acquire basic knowledge about journalistic science and proper knowledge. This research also purposes to show the performance they implement on their routine reports.

#### 4. Research Result

Using those eight principles environmental journalism code of ethics as parameters, an illustration on how the performance of KJPL does in environmental journalism can be described as follow.

- 1) The first principle that concerns about informing public about threats to the environment, on any other area level. KJPL poses the local issues rather than global issues. They are focusing on building public awareness due to local crucial problems. For example, they often pose the issue of fresh water pollution and scrutinizing urban development. Most significantly, since they have a bond with their partnership, USAID and High Five programs, therefore they particularly expose stories about sanitation advocacy, water pollution, Surabaya Estuary hazard, and shore reclamation which fit their ally's mission.
- 2) Journalist's duty is to heighten public awareness about environmental issues. This group does this action exceptionally well. Extremely, they really concern about the threats, danger and risk of environmental degradation. They conducted many environmental campaigns such as, planting trees, spreading out baby fishes along Surabaya Estuary, encouraging youth by providing environmental journalism workshops using citizen journalism, and other persuasive communication. They perform pretty well beyond the editorial room and provide public services.
- 3) Also, in order to enable people to take actions to protect the environment, these journalists of KJPL, get involved with some organizations and particular society to do some actions. As an illustration, KJPL always interact to the public due to specific environmental programs. On contrast, they only do informing about the assignments and programs which have no sufficient explanation why and how-solution in detail. Therefore, I found it should be remarked as an improvement necessity. It is shown that they are very cautious and thoughtful about explaining something which has a lot of technical terms. They do this whenever they are difficult to refer to credible source. According to the chief of the group, Teguh Arisandi, they should ask for particular scientists if

- they intend to convey solution due to any technical difficulty.
- 4) Whenever the journalists report on environmental controversy, they recognize and realize that they ought to be independent amongst complex interest and cover both sides as a balance report. It is revealed that they have good guts to notify to authoritative institution for charging this dispute. As an illustration, they are in their confidence to record any violation due to environmental destruction, eventually send a report to Mr. President himself. It means that they are not stand for any vested interests.
  - 5) As it is explained previously, the journalists of KJPL are very careful and cautious about citing the sources of their information. Just because sometimes they do not provide any possible solution, it does not necessarily mean that they ignore it. It is because they have not found any credible and good expertise. They really evade some alarmist, speculative and biased reporting, also being used by some radical environmentalists and any other vicious groups.
  - 6) Not only utilizing single medium, websites only, KJPL perceive that they must accelerating speed in obtaining access to environmental information for the whole nations and provide people to attach access to the same information. KJPL also expand their communication channels within social media as a cross media implementation. High information-technology enables them to spread out vital messages promptly and obtain immediate feedback from people. Both Twitter and Facebook are utilized as popular social media which have feedbacks promptly.
  - 7) It is a vast challenge to secure and confide the rights and privacy of the natural disaster and catastrophe. Often some journalists are very intrusive and ignore about the victims privacy. Since, they find it more interesting to expose stories about the grieving of people in trouble, the sorrow and many miserable things of tragedy, the sales point of their rating increases dramatically. Henceforth, it is about totally incorrect ethic values that might harm the integrity of journalism professionalism. In this case, KJPL realize that reporting environmental news should not intrude the privacy of people who are inflicted by catastrophe. They suffer enough, so they need to

be encouraged to go through bad circumstance. Instead of, they are supposed to meet the humankind welfare by exposing the impacts.

- 8) In order to cover both sides, the environmental journalists of KJPL cited many principal statements from some credible experts and reputable sources. The reason for doing this is because they have limit of technical and scientific knowledge. They have to be cautious to explain technical terms and reference. Public need some simplification of technical explanation. This is the extra duty of environmental journalists to cover both sides. Whenever they find many mistakes in copying statements and also reference, they have to make a correction immediately. However, other media and journalists tend to do this mistake. Especially, when they cite number of damage and victims, they often inconsistently record from the source. Therefore, it is a challenge to improve this error.

## 5. Conclusion

In brief, the illustration above can be concluded into several major points.

- 1) Environmental journalists in Indonesia urgently need improvement and reinforcement in ethical responsibility. The main focus of this conception is addressing right thing to do in order to achieve good society. Most experts object this conception and they perceive it as a confusing term. The consequence of implementing ethic conception is likely normative, sacred, sincere and voluntary. Despite the vague value, the contribution of environmental journalism is vitally important. On balance, the integration of social environment must be synchronized to economic consideration as a public welfare. In order to build the integrity of environmental journalism, these valences appropriately should be kept in journalists' minds.
- 2) To conduct mutual relationships, environmental journalists have indispensably to select which issues fit the local environmental dispute. Those issues are restructuring, sub contracting, local

community and environment. Each of the selected one has a particular result of news reporting, such as social inclusion, public authority, community activities and so on. In order to support this action, it is extremely crucial to expand the peer group links and networking. Not only local community but also importantly affiliating with other international groups to meet the demand of raising global issue and impacts.

- 3) Since the limit of good English proficiency because English is a second language in Indonesia, many environmental journalists perceive this as a crucial problem. They find many obstacles in communicating their issue promptly in global area. Therefore, many vital issues are not addressed rapidly in overseas, mostly are reported in local area only and using main single language, Bahasa Indonesia in their websites. In this case, proper English proficiency is required to increase the performance and integrity of environmental journalists.
- 4) Because of global vast development, the professionalism should be improved hand in hand with proper journalism education. The era of generalist journalism had been disappeared, and the new era of specialist journalism replaced immediately. Therefore, in order to pursue and accomplish this requirement, a proper and excellent journalism education and many cross study should be implemented and reviewed regularly. This is very crucial to reinforce the capability and basic knowledge in environmental reporting. If a journalist does not have good proficiency and expertise skill in environmental knowledge, they are vulnerable to be manipulated by malevolent groups.
- 5) To conclude, many kind of environmental disputes and miscommunication undergo in various ways. The problem concerning social issue due to harsh situations consists of complexity vested interests. Thus, it is necessary to initiate bridging the gap by high quality environmental news reporting reciprocally. To some extent, it is an option between dealing with public fear and gaining more respect, trust and awareness. The reasonable way to diminish the public misunderstandings is by conducting

appropriate balanced news coverage. This is an essential factor to build integrity and implement code of ethics for environmental journalism.

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COMMUNICATION, INTEGRITY  
AND ETHICAL ISSUES IN MEDIA:  
THE APPLICATION OF INTEGRITY  
VALUES THROUGH  
COMMUNICATION MEDIA

# TV Program: Integrity Representation of Indonesian Leader

Ira Dwi Mayangsari

## Abstract

*Television, as a mainstream media, has a power to influence audience's perception. With the rise of ICT, television program now can be watched not only through television but also internet since they are shared on television station's website and youtube.com. This makes wider coverage for media to shape public opinion.*

*Indonesia, one of corrupt countries in Asia Pacific (Political and Economic Risk Consultancy Survey, 2012), remains low of leader integrity (Tempo.com, 2012). Since they who have position in bureaucracy involve keep on practicing corruption.*

*One of the roles of television as a part of press channel is as a social control toward government activities. Therefore, television can act as "a watch dog" of the government. Television provides information related to the leaders such as their activities, achievements and public opinion on them.*

*The most phenomenal leaders in 2012, Jokowi and Ahok, who have spectacular publicity on media because of their political movement, will become the object of this research. By employing Barthes Semiotic method in "Menagih Janji Jokowi-Trans TV" and "100 Hari Jokowi-MetroTV", this research tries to analyze the role of television in presenting Jokowi and Ahok's integrity. It will explore how the exposure of mass media about Jokowi and Ahok's activities, journalist witnesses and what people opinion about them.*

*The research shows that the television programs explores Jokowi "blusukan" activity to assess real condition of the public by himself, bureaucracy reformation in meeting videos of Ahok for transparency to the public, pro contra from the public and journalist's assessment. We can conclude that the television program has been successful to present Indonesian leader's integrity and builds a positive public opinion.*

**Keyword : Television Program, Leader, Integrity, Public Opinion)**



## 1. Introduction

A leader with high integrity can bring a nation to prosperity. Indonesia, as one of the corrupt countries in Asia Pacific (Political and Economic Risk Consultancy Survey, 2012), faced many problems because of low of leader integrity (<http://nasional.kompas.com/read/2011/07/31/02151581/Intelektual>). Since they who have positions in bureaucracy involve keep on practicing corruption.

Integrity is more than an absence of corruption. It is a valued, an aspiration, a contextually contingent norm (Wijayanto 2009:59). Corruption is only a symptom of the lack of integrity. In Indonesia, corruption, collecting money from the public service that should be free of charge, or using authority to inappropriate policy, happened in all levels of government, from the top to bottom, starting from the capital to the village. With the increase of number of corruptors, the leak of government budgeting, low effort in good government, and apathy of citizens, the corruption is attempted to flourish.

Mass media have a significant part to eliminate corruption cases since it has a biggest influence in shaping people opinion. As a watchdog, the media should cover performance of the leaders about what activities they do for the country regarding their political position.

In Indonesia, television is the most powerful mass media, since majority of the public use it for getting information. With the rise of ICT, television program now can be watched not only through television but also internet since they are shared on television station's website and youtube.com. This has made wider coverage for media to shape public opinion.

Jakarta as the capital city of Indonesia, has many television stations, from government station (TVRI), national private stations (Metro TV, Trans, Trans7, GlobalTV, TVOne, RCTI, SCTV, Indosiar, ANTV, MNCTV, to local private stations (B-Channel, Elshita TV, DAAI TV, Jak TV, O Channel, Spacatoon, Radar TV).

Television role in reporting leader's integrity to public phenomenon in Indonesia is commenced with the emerging of

Joko Widodo “Jokowi” figure. From his Mayor’s success story in Solo to his campaign to become Governor of DKI Jakarta, all are covered in national mass media. Indeed Jokowi’s credibility is proved when he got World Mayor Prize 2012 in third place. Jokowi was awarded for his efforts as the Surakarta mayor for helping to turn the crime-ridden city into regional center of art and culture that has started to attract international tourists. Jokowi was also praised for his campaign against corruption (<http://www.thejakartapost.com/news/2013/01/08/jokowi-named-world-s-3rd-best-mayor-2012.html>). Jokowi popularity is also proved by being awarded from the 1st Press Company Association - Indonesia Public Relation Summit 2012 (<http://news.detik.com/read/2012/12/14/134045/2118633/10/2/4-penghargaan-yang-diraih-jokowi#bigpic>). While Basuki “Ahok” Tjahaja Purnama, was a Regent of East Belitung, on Belitung Island of Sumatra, has Anti Corruption Figure Award in 2006 from Indonesian Transparency Society, Indonesia Chamber of Commerce & Industry (KADIN) and Minister for Administrative and Bureaucratic Reforms (<http://www.balipost.co.id/mediadetail.php?module=detailberita&kid=33&id=69694>).

Jokowi and Ahok are elected as Governor and Deputy Governor of DKI Jakarta province on November 2012. During their campaign and after selected, television program (especially news) always making news about them. In this paper, I explore how television programs describe “Jokowi-Ahok” leader’s integrity through Reportase Program-Trans TV about Jokowi Campaign Promises. Reportage Program won the award for best investigative news in 2007 (<http://www1.transtv.co.id/frontend/aboutus/view/company/18>) and Jokowi-Ahok 100-Day from Metro TV (as the only news station in Indonesia) as an evaluation of their promise and also video statistic about Jokowi-Ahok in youtube site.

## 2. Literature Review

Mass media play a role in the development of a nation. From Schramm, (Melkote, 1991:86) mass media of information and

mass media of education are speed up and simplify the complex transformation, accelerate and facilitate. Mass media have the power and a significant positive correlation to development. The mass media and adequate information will act as a trigger of education, trade and other development activity chain

Television is one of the mass media, the mass media which is the most widely consumed by people, has the function to inform, educate, entertain and persuade. But majority of audiences are watching television for entertainment, rather than get information (Ardianto et al, 2007: 137).

Mass media have cognitive, affective and cognitive effect to their audiences (Liliweri, 2005:197) Cognitive effects occur when there is a change in what is known, understood, or perceived audience. This effect is related to the transmission of knowledge, skills, beliefs, or information. One example of this cognitive effect is when someone knows there have been cases of corruption against one officer after watching television news. Affective effects occur when there is a change in what is perceived, liked, or hated by audiences. These effects are associated with the emotions, attitudes, or values. For example we feel mad when a corruptor can have luxuries facilitation in a prison. Behavioral effects refer to the real behavior that can be observed; covering patterns - patterns of action, activity, or behave habits. Behavioral effect is the effect of mass media that looks at changes in individual behavior. The example is someone who joins an anti-corruption NGO after he knows and dislikes the corruption.

Integrity or the integrity comes from the Latin, "integra" which means a thorough, complete (complete), one. Someone who has integrity is able to parallelize the values, beliefs, or ideology in what he is saying and doing. Integrity happens when thoughts - words = actions. And it could be described as a cycle. When the cycle broken, because there is one component missing, we can say the person is out of integrity. However, if the cycle is running in a loop dynamic and consistent, the person is integral. Unitary behavior framing the concept of integrity is honesty (honesty), sincerity (sincerity), what is (truthfulness), the word and the reason (keeping one's word

and agreements), timeliness (punctuality), ethics (ethics), equity (fairness) and justice (justice) (Mahyudin, 2009: 113)

According to John Adair, a person of integrity is demonstrating a fully adhering to the code of conduct, norms of artistic or value, especially the value of truth. Sir Ernest Woodroffe said that integrity is the ability of a leader to make responsible decisions. Slim Viscout stated that integrity is the quality that makes people trust on you. (Kartakusumah, 2006:33).

### **3. Research Method**

This qualitative research method use semiotic analysis which defines the communication is not simply a process of delivering a message, but as the production and exchange of meanings (Fiske). Communication always involves signs and codes. Signs are material or act that refers to "something", while the code is a system in which signs are organized and determine how connecting it with another mark.

In this study, data analysis technique used is based on the theory of Roland Barthes' semiotic analysis where the emphasis purport to get the meaning of denotation, connotation and myth circulating in the community at large. Denotation meaning is the true meaning and a depiction of an object with the truth. It is observed by sight and hearing as concerned with audio-visual media. While connotation meaning is figurative or interpreting something. Myth is how culture explains or understands the reality or a natural phenomenon in community as a form of socio-culture. (Husein, 2011:235)

### **4. Research Result**

This research explores in three parts; Jokowi-Ahok Campaign Program as promises to public, 100 days evaluation of Jokowi-Ahok and youtube statistic about Jokowi-Ahok.

#### **4.1. Jokowi-Ahok Campaign Program**

"Reportage Program-Menagih Janji Jokowi" from Trans TV

Station, host Budi Adiputro (October 16, 2012) shows promises of Jokowi-Ahok in their campaign.



Denotation	Connotation
<p>Jokowi-Ahok won Governor of Jakarta election in 2012 with 53.82% of the vote (scene 1). This victory is supported by their campaign promise to public which is published on television program. The campaign promises are :</p> <ol style="list-style-type: none"> <li>1. Completed the projects monorail and MRT (scene 2)</li> <li>2. Replacing busway with railbus. Because if we use busway, it only can have 40 passangers. But with railbus, it takes 400 people (scene 3)</li> <li>3. Bureaucracy reformation in delegating authority to the head of department. It will speed up decision making process and avoid corruption potency (scene 4)</li> </ol>	<p>Political campaign used to give promises for winning the election. After being selected, politician abandon their promise (Firmansyah, 2007 : 278). Public now are more educated, they will pay attention to politician promises during campaign. When he didn't do as his promise, public will give a sentence by not choosing him again in the next periods.</p> <p>Jokowi Ahok has a positive perception from the public because they already proved their integrity as Mayor of Solo in Central Java and as Regent of East Belitung which are covered in national mass media.</p>

<ol style="list-style-type: none"> <li>4. 90% of working time will be direct monitoring in field to get information about real problems from dialog with public (scene 5)</li> <li>5. Flat housing. Build superblock or stacking village that divide into markets, health centers and apartment for the family in medium and low social economic level (scene 6)</li> <li>6. Jakarta Healthy Card to get all health services for free (scene 7)</li> <li>7. Jakarta Smart Card, to use budget subsidies for the poor to get education right (scene 8)</li> <li>8. Buying land for green for public space. Increase from of 9.8% (now) to 30% by purchasing land of public (scene 9)</li> <li>9. Increase the reservoir areas and dredging rivers (scene 10)</li> </ol>	<p>They are also awarded as anti corruption figure in Indonesia.</p>
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### 3.2. Jokowi-Ahok performance in 100 days













Metro TV station made special TV program to evaluate their newest DKI Jakarta Governor and Deputy's performance, Joko "Jokowi" Widodo and Basuki "Ahok" Tjahaja Purnama. The title is Gebrakan Jokowi-Basuki (100 hari Jokowi), A Breakthrough of Jokowi-Basuki in 100 days. This program was a live talk show on 15 January 2013 in Penjaringan, North Jakarta, where was become a shelter for flood victims. It runs for two hours with host Aviani Malik and Indra Maulana, program run at the prime time for television in Indonesia (7pm - 9pm).

This program consists of a highlight of Jokowi and Ahok activities, interview with the host, question and answer session with



the public, and satisfaction survey to the public. During the show, we can see Jokowi-Ahok’s integrity through verbal and non verbal signs in highlight video of their activities, and spoken word in the dialog.

<b>1. Audience crowd shows the credibility of Jokowi</b>		
 Scene 1	 Scene 2	 Scene 3
 Scene 4	 Scene 5	 Scene 6
Denotation	Connotation	
<p>Picture shows that flood victims; woman, man and children, are enthusiastic to see the Jokowi-Ahok talk show. In the first picture, they sit on the mat inside a tent in a shelter area. The second picture is taken at the bus shelter beside the shelter tent. The third picture represents people who are standing near the talk show stage. The fourth picture figures Jokowi arrival when people come closer to him for having handshake. Long shot camera technique is used to show the environment in talk show stage in the fifth picture, the location is not only full with the audiences but also journalists. Public are watching in the tent, some are behind the gate, while the journalist is in the front stage, capturing and shooting the event. In the sixth scene shows two of audiences are capturing the show using their mobile phone.</p>	<p>The crowd around the area shows that the public have high intention to meet their newest governor, Jokowi. The journalist crowd also proves that Jokowi has credibility to become the important information source for the press. Credibility or ethos is one of the criteria of good leader. In recent years, we’ve heard a lot about credibility gaps and the lack of credibility of some national figures. Many people have lost confidence in many politicians and other public figures (Wood, 2012 : 429). Jokowi-Ahok is <i>newsmaker</i>, has a public interest to be published in media, not because of image building (<a href="http://megapolitan.kompas.com/read/2013/01/23/18332837/Pengamat.Jokowi">http://megapolitan.kompas.com/read/2013/01/23/18332837/Pengamat.Jokowi</a> Basuki.itu. Newsmaker.Bukan.Pencitraan).The statement from Kompas.com answers accusation about Jokowi-Ahok activities only for image building</p>	

<b>2. Transparency through youtube</b>	
	
Denotation	Connotation :
<p>Voice Over: If Jokowi concentrates in blusukan, then Basuki (Ahok) concentrates in internal sector. He held meetings to reorganize the bureaucracy and reform budgeting in all departments. All meeting videos were also uploaded in youtube for transparency. Ahok styles in each meeting also attract attention of the public and also government officials.</p> <p>Question (host): Sir, I've seen on youtube, how Ahok get angry, cut off many bureaucracy, said the budget should be like this to be efficient. Is it effectively to make bureaucrats scared and give better service to the society?</p> <p>Answer (Jokowi): Yes, Effective. It is the way we do openness of transparency. We share everything to public.</p>	<p>Jokowi-Ahok video which is uploaded to youtube as a transparency tool from government is the first one in Indonesia. Jokowi shows his blusukan activities and Ahok with his extraordinary meeting. In the context of local governance, transparency, at least include transparency in the allocation and use of funds, creation of local regulations, local planning and other measures (Dwiyanto, 2011 : 242). Ahok is a very straight person. He is outspoken, and remains fierce. He gives shock therapy in bureaucrats. <a href="http://www.tempo.co/read/news/2012/11/15/231442020/Gaya-Keras-Ahok-Jadi-Shock-Therapy-Pemda-DKI">http://www.tempo.co/read/news/2012/11/15/231442020/Gaya-Keras-Ahok-Jadi-Shock-Therapy-Pemda-DKI</a>. This style maybe suitable to make a lesson in a corrupt bureaucracy such in Indonesia. Jokowi also thinks that Ahok's style is effective to change the bad habit of bureaucrats.</p>
<b>3. Press statement of Jokowi-Ahok's Integrity</b>	
	




Denotation	Conotation
<p>The first time I saw him, despite everyone has his good and bad sides, Jokowi maximize his performance for Jakarta residents. The enthusiasm of public of Jokowi was amazing. The figure of Jokowi was loveable, very lovable. He has a good behave in front the camera and in daily activities. He always greets others, to journalists DK11 (town hall) or blusukers who are following the Jokowi blusukan.</p>	<p>As the journalist said, Jokowi's blusukan as one of his promises in his campaign is become his daily activities. Those scenes show the realization of Jokowi's fourth promise in his campaign, direct monitoring to the public; ask what the problems are and what they need. This is show his integrity, what he said is what he done. Because his integrity was proved, people give a good appreciation to him, include the journalist. As said in Kompas, Jokowi's is a figure whom people want, but he has to prove his grapevine such as Blusukan only for publicity (<a href="http://megapolitan.kompas.com/read/2012/11/19/05123294/Inilah.Kesan...">http://megapolitan.kompas.com/read/2012/11/19/05123294/Inilah.Kesan...</a>)</p>


**4. Public Transportation System**



Denotation	Connotation :
<p>Question (Sujiono, bus driver): I Want to ask a problem rejuvenation mini metro, Kopaja, kopami. How is this public transport in future? As a driver I would like to know if metromini will be eliminated to make me clear Sir. Answer (Jokowi) : Well, we just started it yesterday. Kopaja was allowed to enter the busway lane with using e-ticket for paying.</p>	<p>Public transportation management is related to second Jokowi-AHok's campaign program. During his 100 days, Jokowi has proved by add 400 new busses and plan some strategies for mass transportation. As his concern about mass transportation, Jokowi launched water way and new buss corridor (<a href="http://www.tempo.co/read/news/2013/02/14/083461224/Jokowi-Resmikan-Waterway-dan-Koridor-Baru-Busway">http://www.tempo.co/read/news/2013/02/14/083461224/Jokowi-Resmikan-Waterway-dan-Koridor-Baru-Busway</a>).</p>

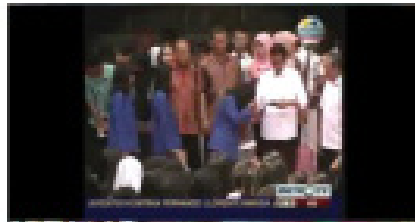
Denotation	Connotation :
<p>Everything will be integrated in that way. This year we will have 1000 buses, these will replace the old public transportations.</p> <p>Why? Because kopaja, metromini have been used 10 to 30 years so they cause a lot of pollution, they should be replaced by the new ones. When I tried metro mini, I saw that the buses were bad. They have no speedometer, no lamp there, all rusty seat (applause) and have no brakes. We will change this. But, Metromini and Kopaja should be well managed in one integrated pool. But under one management, to make a good control; driver, machine, bus checked every day. We have 102 trans jakarta bus, plus 450, so they are 550 now.</p> <p>Question (host)</p> <p>About Jakarta daily transportation issues, There are plans in the near future, the addition of 1000 units busway fleet, MRT, even odd number system that will be imposed. What are their priorities?</p> <p>Answer (Jokowi) :</p> <p>Yes, obviously, the busway will be maximized in order to perfect. After the flood to the MRT (subway), together with a monorail. Since the MRT and monorail was planned for 26 years ago, but we will execute now. First with the policy even odd, ERP (when passing a road, you must pay), the third with high parking tax in certain places so jammed unravel. The monorail will be completed in 3-4 years. MRT completed in 7 years. So we do have to be patient a little bit, but I'm sure Insya Allah, with this at least annually progress it would seem obvious.</p>	<p>In MRT, because the project runs slow, Jokowi will change the Director and ask for daily report (<a href="http://www.tempo.co/read/news/2013/03/11/231466452/Jokowi-Bakal-Ganti-Direksi-PT-MRT">http://www.tempo.co/read/news/2013/03/11/231466452/Jokowi-Bakal-Ganti-Direksi-PT-MRT</a>)</p>

<b>5. Flood problem</b>	
	
Denotation	Conotation
<p>Question (host): Do you feel that you already do the best for Jakarta?</p> <p>Answer (Jokowi): I worked from morning to night. It is up to the public to make a judgment. I've worked together with the entire apparatus. It is also supported from the Military, marines, police. Because the broken levees, Latuharhary, in about 30 metre, the flood inundates to Thamrin, into the village, to crawl, and the palace. This is a complex problem. From upstream to downstream. If we solve Jakarta, but not in the upstream, it cannot be solved. But if in other countries the flood can be solved, why Jakarta cannot.</p> <p>Question (host): The flooding has been a regular event in Jakarta. What a grand design to completion?</p> <p>Answer (Jokowi): The conventional ways such as widen the river, normalization have been done for decades. But still not solve the problem. I've attended all rivers, from Cideng, Ciliwung, Pesanggarahan, Angke, to Sunter, everything. Every day there was rubbish, of 6000 tons of garbage in Jakarta, there are 2000 tons at times in the river.</p>	<p>His open arm when he answered the question showed that his receptive assessment of audience. He also has leader attitude which are low profile, empathy, assertive, dependable, enthusiast and responsive (2010, Getol : 71). This scene proved his nineth promise campaign about flood management. Jokowi monitored Pluit reservoir dredging as one of flood solution (<a href="http://megapolitan.kompas.com/read/2013/02/02/2119534/Jokowi.Blusukan.untuk.Menguasai.Lapangan">http://megapolitan.kompas.com/read/2013/02/02/2119534/Jokowi.Blusukan.untuk.Menguasai.Lapangan</a>)</p>

<p>This year we and the central government will do normalization at Ciliwung, Pesanggrahan, Angke and Sunter, in addition to widened from 15 to 50, dredged, and sucked. Hopefully later the water can flow properly so it does flow to the public area. There is also large-scale dredging in reservoirs whistle about 10 meters which is now only two or three meters. In my first days, I start checking culverts, accelerate the normalization of the river, and make deep tunnel plan worth 16 trillion to solve flood problem.</p>	
<p><b>6. Health program</b></p>	
	
<p>Denotation :</p>	<p>Connotation :</p>
<p>Voice Over :                  People scramble to greet and thank to Jokowi in the launch of a health card, called Jakarta Sehat Card, in early November. This card is given to the 4.7 million of the poor so they can access health services for free. Before this card, people can have free of health service but in a complex procedure. So, with this card, people don't need to involve in complex bureaucracy.                  Question (Adiputra):                  I have a wife in the hospital. The difficulty was I cannot pay for 50 million. Pluit Hospital didn't let my wife out before paid the bill.</p>	<p>Jokowi has proved his sixth campaign program for free of service health. This card will be distributed all in end of 2013. The health stakeholders seem unaware about this because there is still a hospital that forces the poor people to pay for the health service which is already covered by government. Jokowi distributed 3000 card and asked village head to give awareness to his people about Jakarta Sehat Card in Marunda, Tanah Tinggi, Bukit Duri and Manggarai (<a href="http://www.tempo.co/read/news/2012/11/12/083441334/Jokowi-Minta-Lurah-Sosialisasikan-Kartu-Sehat">http://www.tempo.co/read/news/2012/11/12/083441334/Jokowi-Minta-Lurah-Sosialisasikan-Kartu-Sehat</a>).</p>

<p>Answer (Jokowi): If you have problem like this, it is important to go to government health center and ask for a referral hospital. The health service will paid by government. I will make a note in your form and the problem will be solved. If you already have Jakarta Sehat Card, you will have no problem like this because the system is very simple.</p>	<p>In other side, Minister of Health said that the health card has many problems, people complain. They didn't know that this is alike insurance, they should pay when they are health, so there would be budget when they are ill (<a href="http://www.tempo.co/read/news/2013/03/14/173467069/Menteri-Keseha...">http://www.tempo.co/read/news/2013/03/14/173467069/Menteri-Keseha...</a>).</p>
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**7. Education Program**



Denotation	Connotation
<p>11 november 2012, another powerful card is distributed. Jakarta smart card aims to give education right for the students from low income family. This year there are 332,000 cards to be distributed to students. Its mission is to decrease the number of dropouts, especially in secondary education.</p>	<p>Jokowi-Ahok seventh promise is giving Jakarta Smart Card become a positive support to student. With this program student have the opportunity to get higher education for better life (<a href="http://megapolitan.kompas.com/read/2012/12/07/18041473/Kartu.Pintar.Jokowi.Pencerahan.Dunia.Pendidikan">http://megapolitan.kompas.com/read/2012/12/07/18041473/Kartu.Pintar.Jokowi.Pencerahan.Dunia.Pendidikan</a>). Smart card distribution has covered 19% of 332.465 target (<a href="http://www.tempo.co/read/news/2013/02/26/083463771/Baru-19-Persen-Siswa-Terdaftar-Kartu-Pintar">http://www.tempo.co/read/news/2013/02/26/083463771/Baru-19-Persen-Siswa-Terdaftar-Kartu-Pintar</a>)</p>

**8. Housing problem**

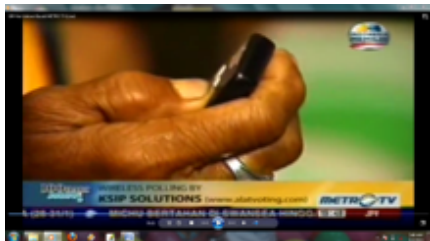


Denotation	Connotation
<p>(Voice Over): One of housing problems in Jakarta is living in slum area. The illegal buildings can cause a flood. Jokowi-Ahok plan is to dismantle the slum in Pluit. Jokowi-Ahok offers cheap rental flats for residents complete with house facility.</p>	<p>The housing for the poor is Jokowi-Ahok's promise in their campaign. They make renovation to old flat, give facilitation for free to make people in slum area move to the Marunda flat. (<a href="http://megapolitan.kompas.com/read/2013/03/04/20433283/Jokowi.Klaim.Pembagian.Unit.Rusun.Marunda.Telah.Selesai">http://megapolitan.kompas.com/read/2013/03/04/20433283/Jokowi.Klaim.Pembagian.Unit.Rusun.Marunda.Telah.Selesai</a>)</p>

### 9. Green Jakarta

There is no green topic in the program. But Jokowi-Ahok's program to make green environment still about the budgeting planning for next year. The amount is about 1 trillion rupiah (<http://megapolitan.kompas.com/read/2013/01/14/2032084/Jokowi.Anggarkan.Penghijauan.Jakarta.hingga.Rp.1.Triliun>)

### 10. Survey on Jokowi-Ahok



Denotation (host) :	Connotation :
This is the last of the show. I was pleased to speak with the citizens here. I do not know the report card red or blue. Because there are satisfied and dissatisfied. I noted there four years and seven years about public transport. Then the distribution of Jakarta smart card and Jakarta health card to the public. So what card will you give to Jokowi-AHok? Red or blue? Blue (Crowd answer...) Okay, this is the voice of the people.	the visual of the first survey said about 45% satisfied and 45% not satisfy to Jokowi-Ahok in handling in flood. The second survey 75% satisfied about Jokowi-Ahok's concept to solve flood problem in Jakarta. In transportation and traffic jam, 50% are unsatisfied. But in last session of this talkshow, public give blue rapport to Jokowi-Ahok means for overall they are satisfied.

### 4.3. Jokowi-Ahok Youtube video statistic

Most of publication of Jokowi-Ahok made through video on television program from all television station in Indonesia and also uploaded in youtube site at DKI Jakarta Province account. On October 2012 there are 55 videos, November 110 videos, December 89 videos, January 111 videos. When accessed on March 13, 2013 there are 10.345.0880 video views and 63.273 subscribers.

## 5. Conclusion

Jokowi-Ahok leadership brings a new hope for Indonesia, especially Jakarta Province. Most their activities are published in television programs which show their integrity. With the increase of internet Jokowi-Ahok news on television programs are also uploaded in youtube. Moreover those television program videos can be a part of building good governance due to their transparency effort to public.

From the "Reportage" (Trans TV Station) we can see nine points of Jokowi-Ahok campaign promises (monorail and MRT, busway, bureaucracy reformation, "blusukan" field monitoring, flat housing, health card, smart card, green area, reservoir area. Leader integrity can be explored through evaluation of their performance "100 days of Jokowi-Ahok" program on Metro TV Station. It has covered



both positive and negative side; highlight of Jokowi-Ahok activities (“blusukan” and bureaucracy reform), satisfy and unsatisfied survey from public about their program, and dialog about Jakarta’s problems. Overall, the television programs show that Jokowi and Ahok integrity remain positive since they execute many programs in order to fulfill their promises. From nine points, green point has no applied program. So, about 89% promises are done.

As the result, we can see that television program in Indonesia already make a program covered the integrity of leaders. So, people can have enough information to build public opinion about the leader.

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# Integrity Values of Public Media In Indonesia

Case Study: Former “Beauty Queen” Angelina  
Sondakh figure in KOMPAS Daily Newspaper  
between 21<sup>th</sup> December 2012 and 4<sup>th</sup> January 2013

Gracia Rachmi Adiarsi

Yolanda Stellarosa

Daniari Setiawati

## Abstract

*This paper is to examine corruption figure exposed by media in Indonesia nowadays. The cases of corruption spread to all element in society, from local government official, general police to member of parliamentary. Media makes defendants as if they are celebrity who seems not really guilty. Media construct the cases to become popular but being not trusted by person who access the media. Therefore, everyone who reads news from newspaper or access the media will wonder why the defendants have been treated very special. After Soeharto era, freedom of press in Indonesia is very excessively. Sometimes, information is being formatted without considering the ethic. All media, including newspapers are required to reveal and present the truth, balanced, accurate, objective and neutral, in order to facilitate the public about the truth of message as a whole, rather than making them confuse. Thus, the integrity of the media is highly required. Therefore, media can present the news in accordance to ethic and value rather than focus to defendant's as personal. This research uses qualitative methodology and semiotic in media, meaning of meaning theory, discourse analysis and agenda setting. The result of this research found that KOMPAS media integrity rather polluted with news which not focusing to the substance in corruption as enemy for the country (Agelina Sondakh cases from 21<sup>th</sup> December 2012 to 4<sup>th</sup> January 2013).*

**Keywords: reformation era, freedom of press, the integrity of the KOMPAS**

## 1. Introduction

Mass media nowadays expose corruption cases news to the audience. Not only television who covered the news but also newspaper. Corruption actor comes from different sector and background from political party, government official and also celebrity. KOMPAS one of the popular newspaper that has media coverage to all Indonesia is also publish news of corruption involving former beauty queen and also Indonesian celebrity/actress Angelina Sondakh. KOMPAS is a national newspaper circulation and has motto "Amanat Hati Nurani Rakyat" (The mandate of the people's conscience) under the KOMPAS logo depicts the vision and mission of voicing the people's conscience.

KOMPAS wishes to develop as a press institution putting in the front openness, leaving compartmentalizing the background of tribal affiliations, religion, race and societal groups. It wishes to develop as "Indonesia in miniature" as it is an institution that is open and collective in almost all cities in Indonesia, which was based on data from Media Scene in 2000, 1598 KOMPAS master copies of a total of 114,898 copies of newspapers circulated (Media Kit Kompas, 2010). In some news, media focusing the actor not the case, so questionable media responsibility in this regard within the newspapers to explain the value of integrity. Every reader will read the person not the cases.

Media constructed the reality to become infotainment due to the corruption actor is the actress itself. In the case of corruption in the budget at the Ministry of Youth and Sports Ministry of National Education is actually a lot of actors are involved, such as Mindo Rosalina Manulang, Nazzarudin, Neneng (Nazarudin's wife) and Andi Mallarangeng (former Minister of Youth and Sports). But KOMPAS particularly focuses Angelina Sondakh in the news. This is because the predicate Angelina Sondakh as a public figure and a former Miss Putri Indonesia. In its news, media focuses more visible to the figure of Angelina Sondakh than the corruption case itself.

Media is highly required to educate readers about the badness of corruption actions instead presents readers with a photo of the

suspect is seen wearing white clothes and accessories like glasses and hairstyle of Angelina Sondakh. This obscures the essence of news about corruption and the consequences of unlawful acts. Continuous coverage leading to the perpetrators from celebrities and not to actions undertaken obscure meaning to the reader learning about the values of honesty, truth & fairness and accuracy. Accuracy of information is a major concern for every journalist and newspaper. Accuracy means getting the right information, avoiding bias, and condensing or presenting the news in such a way that it remains truthful, which implies trying to objectively, reporting without favoritism or self interest (Straubhaar and LaRose, 2004:114).

The mainstream media, the media is able to create various public, defining issues, embed a reference terminology and allocate attention and strength (Gebner in Littlejohn, 2002: 37). In this case the media able to embed into the mind of the audience on a personal Angelina Sondakh along with case, and the audience has a different understanding and interpretation of the news that they have read.

Every media organization, as well as KOMPAS should give accurate information or news, but they also have to think about the economy condition as well as the organization itself prestige or image of the media. Currently often end up lifting news media prefers selling rather than having to follow idealism. In the case of Angelina Sondakh, KOMPAS prefers raised figure as a suspect corruption than other actors, associated with the figure as a former Miss Putri Indonesia. News of this figure has selling point. In this case the media are required to demonstrate integrity in providing information or news to the audience and do not neglect the economic needs for viability media organizations.

Based on the description above, this paper will discuss about the integrity of the media KOMPAS newspaper in Indonesia, particularly regarding alleged corruption Angelina Sondakh news. The purpose of this study was to determine the integrity of KOMPAS newspaper in the case of corruption suspects former Miss Putri Indonesia Angelina Sondakh.

## **2. Literature Review**

### **2.1. Semiotic in Media**

According to Jonathan Bignell, meaning are being made everywhere through different channel of communication. Newspaper is one of the form of mass media. Semiotics or semiology is a way of analyzing meanings by looking at the signs (like words for instance but also symbols etc) which communicate meanings. He also added that there are five basic assumptions which underlie approach to meaning in the media (Bignell, 1997:1):

- (1) Patterns and structure of signs in media texts condition the meanings which can be communicated and understood.
- (2) The sign in media text are understood in relation to other signs and other texts in a social and cultural context.
- (3) Each medium has features specific to it and features which are shared with other media.
- (4) Texts and media position their audiences in particular ways and audiences understand and enjoy the media in different and diverse ways.
- (5) Studying the negotiation of meanings between media and audiences is important in understanding the ways that we think about ourselves and our culture.

### **2.2. Meaning of meaning theory**

Audiences will sort any text or message to be consumed and interpreted the text will vary by individual readers. Meaning of meaning theory is from Richard that mentioned the meaning of the words. He added that words itself doesn't means anything but meaning come from individual. Words mean different things to different people and in different situations. Words are a different kind of sign called a symbol. Symbols have no natural connection with the things that they describe (Griffin, 2003: 58). There is nothing special about the word that says it must be connected to what it stands for. The only reason that words are symbols of something is because they have been given meaning. Words mean different to different people (Griffin, 2003:59).

Richards sets forth a contextual theory of Signs: that Words and Things are connected “through their occurrence together with things, their linkage with them in a ‘context’ that Symbols come to play that important part in our life (even) the source of all our power over the external world”. In this context system, Richards develops a tri-part semiotics—symbol, thought and referent with three relations between them (thought to symbol=correct, thought-referent=adequate, symbol-reference=true) (Ogden and Richards, 1989:243).

In the models belong to Ogden and Richards’s referent and reference / thought connected directly, as well as symbols and thought. But the connection between symbol and referent is indirect. Symbols in this case placed in key positions (Fiske, 2012:71-72).

### **2.3. Discourse Analysis**

Discourse analysis focuses on the structure of naturally occurring spoken language, as found in such “discourse” as conversation, interviews, commentaries and speeches (Christal in Mills, 1997:5)

For many theorists within mainstream linguistics the term discourse signifies turning away from sentences as exemplars of usage in the abstract, that is examples of the way that language is structured as a system, to a concern with language in use (Brown & Yule in Mills, 1997: 35). For other linguists, discourse is defined by the context of occurrence of certain utterances (thus, the discourse of religion, the discourse of advertising). These contexts of production of texts will determine the internal constituents of the specific texts produced.

### **2.4. Agenda Setting Theory**

Concept from this theory is media has power in select and direct attention from society about the news. Media have power to publish the news which they think it’s important for society. Media also could make audiences supporting some actors. Therefore, media lead audiences to think which news is important according to agenda setting from each media. The objective is audiences will follow the news (Nurudin, 2007:195-196).

Agenda media will become public agenda. If agenda media is more focus about Angelina Sondakh as personal, therefore public agenda will also think more focus to Angelina Sondakh as personal rather than the corruption case. The more this news published means more public talk or discuss about it. However, there is a thought that all agenda media are important or media which make one story become news. Mass media lead audiences to attract in some news, mass media decide which will become agenda public.

What the media does is related to media ethics as well. Value to the journalist is accuracy, context, fairness and truth. Basic ethics in journalism that should be applied is: truth, act independent, minimize harm and be accountable. The dilemma in applying ethical is sometimes conflict of interest, fair representation and sensationalism: emphasizing entertainment over information arise (Nurudin, 2007: 253-265).

### **3. Methodology**

This study used a qualitative approach. The research problem in is taken from secondary research and media text analysis which used of triangle of meaning by Ogden & Richardson about referent (object) – reference (thought) - Symbol and text analysis tools by Sarah Mills to see how women show in text and how reader and writer published in text (Eriyanto, 2001:200). As for the unit of analysis the newspaper KOMPAS 21<sup>th</sup> December 2012: "Angelina Menangis" (Angelina cried) and 4<sup>th</sup> January 2013; "Angelina Merasa Lugu" (Angelina feels innocent) written story about Angelina Sondakh. Selection of last month of traveling time trial for the study of time.

### **4. Research Result**

Audiences have different meaning for news or text because every word has different meaning for different people and also in different situation. In the first article or text, focus from this text is "Angelina Menangis" (Angelina Cried and being sued for 12 years because of token Ministry of Youth & Sports fee); this story told in

prosecutor perspective Kresno Anto Wibowo. In this text, it seems that prosecutor as a subject, therefore benefit side for his position.

Angelina Sondakh (as Budget Coordinating Committee X Working Group House of Representatives) is discredited prosecutor for her mistake as corruption that she has done completed by the facts that she gained a lot of money which the ability to meet the wishes of Mindo Rosallina Manulang (Marketing Director of Permai Group one of supplier for Minister Youth & Sports project) to lead the budget increased to 5%. However, Angelina Sondakh seems get small chance for showing herself with as personal and with her lawyer. In this news showed the weaknesses of Angie by put her picture in her red eyes because of cried.

In women perspective, overall texts which published in 21<sup>th</sup> December 2012 describe women as object who seen and represent as bad because of the weaknesses. This case told in man perspective view completed with prejudice and male view of interest. Angie part in this article is displayed very few. She was shown as a weak woman. In this news, readers got position as male public prosecutor side who agreed with statement that female is weaknesses person showed by crying.

In the first article, Angelina Sondakh uses white formal shirt with which can means she is in formal stage. White color is also known as color of clean and pureness. Angie will show that she is clean and pure not involved in this case. In this picture also shown, that she is using tissue for her tears. There is the similarity between text and picture about Angie cry. Her lawyer shown that his hands try to reach Angie hands which meaning he will give support to Angie. In this photo also show Angie's father who his face expression is sad. His forehead shows that he is worried and sad.

In the second article "Angie Merasa Lugu" (Angie felt innocent – verdict would be informed on Thursday, 10<sup>th</sup> January 2013); this event is seen as story teller for former beauty queen. Angie describes herself as naïve and innocent who has truth mask. Angie describes and felt as a victim of politic game which full of intrigue, drama and sacrifice in order to achieve a goal for group of people. In this news,

Angie blamed Mindo Rosalina Manulang as person who tricky and sadistic. However, there is no feedback statement from Mindo.

Journalists put Angie as a person who using her children in her defense. She shows that she is a mother who really needed by her children, therefore she does not have any right for heavy punishment. However, Angie describe as a celebrity, after the defense, Angie together with her step daughters had press conference like in infotainment news. Overall, text in 4 January 2013 describe big portion or in Angie side as victim of political game, person who suffer and she become subject; however discrediting of public figure when she brought her children to the court. Readers in this case, put as female view (Angie); readers put side as Angie itself.

In the second article, with the title Angie felt innocent. The picture shows Angie wear formal white long sleeve shirt with embroidery motifs. By wearing the same model and colour, Angie wants showing her unpretentious. Angie has long black hair which very neat, her nails are clean. Her face is full make up. All of these mean that Angie still maintain her image as former beauty queen. However, she is in hard problems she want stay beauty and neat. KOMPAS take this angle to really show that she is still beauty queen with all her neatness.

It can be showed that there is some changing in media integrity. KOMPAS media integrity rather polluted with news which not focusing to the substance in corruption as enemy for the country. However, KOMPAS changes to become more to human interest which more showing to "commerciality" which shows her background. All the popularity from object being are shown as background in order to make the reader interest and try to lead readers for follow KOMPAS agenda media setting. Change of this integrity of course will change to overall integrity media.

## 5. Conclusion

After seeing the results of our research we conclude that the media in this regard KOMPAS put someone well-known figure to be a



story that contains elements of commercialization. There is a phrase that explains man makes news not news make man. Angie profile is already popular therefore every step she makes media exposed it. However, there is a somewhat forgotten by this newspaper that the media have an obligation to the public to uphold the news of corruption by a former queen of the consequences for being the convict.

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# Integrity Values on Online Public Relations of Indonesian Hotels

Monika Sri Yuliarti

## Abstract

*In the current online era, many Public Relations (PR) practitioners begin using online media to carry out their activities, so that, nowadays, online PR becomes something that develops rapidly. In addition, there is also a rapid development in the hospitality business in Indonesia, as well as in Surakarta (also known as Solo). Growth in the number of hotels is increasing, both 4-star hotels and 3-star hotel. In conducting online PR, the values of integrity are a component that should be appears, because it is closely related to the customer's trust. The aspects of integrity values that covered in this paper are honesty; following procedure & standard; and business ethic. In order to actualize a positive image of a company, public relations officer should be able to establish integrity values.. This paper will investigate how the values of integrity displayed in online PR activities at the hotels, based on the hotels websites. Some aspects will be investigated is related to websites as online media are interactivity, hyperlinks, and archiving.*

**Keywords:** *integrity values, online public relations, hotels*

## 1. Introduction

The recent development of technology leads to change of the way of life and people's lifestyle. The emergence of the internet is one of the technological developments that indirectly led to a new culture and customs of the people of the world. According to Internet World Stats, the latest data (the end of June 2012), Internet users in Asia amounted to 44.8% of the total population of the world (<http://www.internetworldstats.com/stats.htm>., retrieved on March 10, 2013). Meanwhile, Internet users in Indonesia ranks in fourth position among Asian countries. Approximately 55 million of Indonesia people use the Internet every day (<http://www.internetworldstats.com/stats3.htm>., retrieved on March 10, 2013).

This rapid development caused many field on using of as something important in their activities, and one of the fields that using this rapid technology is hospitality business. In Indonesia, hospitality business is one of the businesses that have a great development. In Surakarta (Solo), Central Java, for example, the development of the hospitality business can be understood by seeing the increasing number of cultural events held in the city of Solo. Cultural events was held to attract domestic and foreign travelers, so that they will visit and stay in hotels in Solo. In fact, in 2010 there was still an imbalance condition related to the demand and availability of hotels in Solo, where there were so many events held, but there were no enough hotel room could cover the guests (<http://www.edisicetak.joglosemar.co/berita/pertumbuhan-hotel-tidak-sesuai-demand-supply-pemerintah-harus-jadi-fasilitator-6267.html>, retrieved March 10, 2013). One of the major events held in Solo recently is a colossal dance drama show "Matah Ati" in 2012. When the event takes place, hotel occupancy in Solo was increasing rapidly. In Sahid Jaya for example, during the event, occupancy reached 95%, even in a couple of days before; there were some terror on bombings and also shootings of police officer in Solo (<http://www.antarajateng.com/detail/index.php?id=67238#.UUDL6db3YSE>, retrieved March 1, 2013).

Talking about the company that offers services like hospitality business, corporate image becomes an absolute. Every positive thing will bring a positive image, and vice versa, every negative thing will bring a negative impact on the image. However, it cannot be denied that create, build, and maintain a positive image is not easier when compared to the negative image. An important part of a company that took part in the creation and development of the company's image is the Public Relations Department (PR Department). This Department has a very tough task considering the image is a fragile commodity (in Soemirat & Ardianto Seitel, 2010: 111). The point of the term (fragile commodity) is image creation requires positive cooperation between all parts of a company, which will eventually be perceived by the public. One form of communication between the company and the public that can be done by the PR department is through the company's websites.

What is found in websites is a representation of the hotel, so it needs to display and apply the positive things that can support positive public perception of the image of the hotel. Integrity is one thing that should appear in the communication process between the hotel with the public through the websites of the hotel. The integration itself becomes a topic much discussed today, moreover, when Indonesia experienced many crises in various fields. After hit by the financial crisis 15 years ago, Indonesia has begun to rise again and started successfully restructure its economy. However, this time, the crisis occurring and must be faced by the Indonesian people more concern, namely the crisis of confidence. This crisis of confidence made the people of Indonesia no longer feel comfortable when dealing with certain parties, and even a public servant or political elite who are representatives of the people.

Not only with the world of politics, should integrity be applied in every aspects of life in the nation, state, and society, including the business world. Merriam-Webster Dictionary simply define integrity as (1) firm adherence to a code of especially moral or artistic values, (2) an unimpaired condition, (3) the quality or state of being complete or undivided (<http://www.merriam-webster.com/>

dictionary/integrity, retrieved March 1, 2013).

This paper will examine how the hotel websites at Solo displays the value of integrity. It is very important because the websites is part of a form of online communication between hotel and the public, which in turn could lead to a positive image of the hotel itself.

## **2. Literature Review**

### **2.1. Communication and Transmission of Messages**

Communication can not be separated from people's life. It is something that happens every day. What is communication? Communication is a dialogue between two or more people, and also interaction between people and mass media. So, watching television or listening to the music is also communication. Actually, there is more explanation about communication. According to Fiske (1990: 2) there are two main schools in the study of communication, they are (1) communication as the transmission of messages; and (2) communication as the production and exchange.

The example that is mentioned before is the communication as the transmission of message. It is concerned with how senders and receivers encode and decode, with how transmitters use the channels and media of communication. Furthermore, this school requires a common perception between the sender and the recipient. Thus, if the message was not the same as the message received then there is a failure of communication. The second school, communication as the production and exchange is concerned with how messages, or texts, interact with people in order to produce meanings; that is, it is concerned with the role of texts in our culture. So, there is a process called 'signification'.

In this paper, communication is being understood as the first school, the transmission of message. The application of communication as the transmission of message into public relations activity is the existence of elements of communication. The elements of communication and its applications related to this research are:

1. Sender → public relations officer in an institution

2. Message → information that appear in the channel of communication process
3. Channel → media that carry the information from sender to receiver
4. Receiver → public of the institutions who read the information in a channel
5. Effect → impact that happen in receiver after receive the information
6. Feedback → response of the receiver about the information that has been received

## **2.2. Online Public Relations (Online PR)**

Nowadays, many institutions have realized the importance of PR department in order to build a positive reputation. The development of the field of PR goes along with the development of information technology. There are so many definitions on PR, so it will be a hard job to decide a single definition on it. The fact remains that it is a complex and hybrid subject; it draws on theories and practices from many different fields, such as management, media, communication and psychology (Fawkes in Theaker, 2004: 3).

PR is a bridge that connecting an institution and its public. The connectivity can be seen from many fields, just as stated above. From management field, for instance, it is clear understood that PR is a department that is below directly of the chief of an institution. Moreover, PR manager will have the same authorities with any other manager in an institution, in order to build a relationship with their public. PR activities also became management level activities, that will include created policy or solved a problem in management way. Meanwhile, from media field, it is clear understood that PR is a department that have a great connectivity with the media. Media is one of the external public of an institution, so every news related to an institution is the responsibility of PR department. Moreover, PR is the media itself, as a channel in communication process to communicate with their public, whether internal or external public.

Seitel (in Soemirat & Ardianto, 2010: 13) said that PR is a management functions that help create and maintain mutual flow

of communication, understanding, support and cooperation of an organization or company with the public and become involved in handling management problems and issues. PR also helps in the delivery of information and responsive to public opinion. Whatever it is the definition of PR, it is quite clear that PR activities tend to achieve good image, goodwill, mutual understanding, mutual confidence, mutual appreciation, and tolerance (Soemirat & Ardianto, 2010: 14).

One of the important concepts of PR is relationship. An effective PR activity is the one with a great relationship between institution and its public. Just like others institutions, hotel is also need to maintain the relationship between hotel itself and the public. The internet allows the easiness in communication process. Hotels will easily communicate with their customer, investor, communities, employees, and various other public using internets. One of the implementation of online PR is corporate website. Managing a corporate website is not an easy thing, ethic becomes an important thing. There are some things that need to be considered in managing the websites as one of PR tool, they are: (1) websites purpose and target audiences, (2) product & service responsibility, (3) environmental responsibility, and (4) responsibility to workers (Worley in Duhe, 2007: 151-155).

Related to the online communication, many scholars would agree that there are some telling distinctions between other forms of human communication and that conducted on the Internet. One of them is Sheizaf Rafaeli, Rafaeli (in Wood & Smith, 2005: 40-41) identifies five qualities that distinguish the Internet from other forms of communication; they are packet-switching, multimedia, interactivity, synchronicity, and hypertextuality. Ward (2002: 23-26 and 138-144) has the same perception in characterizing online media. He said that online media means interactivity, hypertext, global reach, and also archiving. This paper will investigates three characteristics of online media, they are: interactivity, hyperlink and archiving.

### **2.3. Integrity Values, Message in Communication Process**

Message is one of the most important elements in the

communication process. It will be encoded by the source of information, and will be decoded by the receiver of information. In conjunction with this research, the message means any information that contains the values of integrity in the operation of the hospitality business, by looking at the websites. To understand the value of integrity contained in the websites of hotels which is the object of this research, it is necessary to explain first about the value of integrity.

Value is a general idea of what is desirable and what is considered right in a society. However, the general idea is not specifically explain what should be done or how someone should act to make things right in a society. On the other hand, there is a set of norms that will cover it. So, in other words, the value can be expressed in norms and values can reflect the value (Rich in Bankston, 2000: 559). Therefore, it is important to have a life with positive values in society. One of the values that are needed to be applied in society is integrity.

Values play important role in people life. Integrity is consistency between actions and values. A person of integrity lives in conformity with his or her principal values. "Their word is their bond". A corporate of integrity likewise does what it says it will do. For a society to thrive, such integrity of word and action is essential. If enterprises do not honor their commitments, substantial commerce is impossible. It has been observed that the greatness of a society is proportionate to its citizen's propensity to honor a contract (Romney in Gostick & Telford, 2003: vii). Integrity leads to trust. When a hotel as a corporate has a value of integrity appears on their websites, then potential customer will trust it.

Integrity is maintaining social, ethical, and organizational norm, firmly adhering to codes of conduct and ethical principle. Based on that understanding, integrity can be translated into three key actions that can be observed, which demonstrate honesty; that is working with others in an honest and true, present the data and information in complete and accurate form. Second, keeping commitment; which does what it has promised, not spill the beans. Third, behave consistently; which do not indicate a gap between



words and actions (Harefa, 2000: 147-148).

Paulson (in Gostick & Telford, 2003: 9) said that integrity is very important, it can complete the life, either personally or in corporate level. A person with integrity is someone with completeness and goodness, balance and complete, and has a high character. It also can be applied in corporation, such as hotel. Based on the above explanations, this paper will only cover three aspects of integrity values in hotel image through corporate websites, they are (1) honesty, (2) following standard & procedure, and (3) following business ethics.

### **3. Methodology**

It is a qualitative descriptive research, which aims to describe a condition, situation, or social reality phenomenon that happens in research object, and try to conclude it as a characteristic, model, sign, or portrait of condition, situation, and particular phenomenon (Bungin, 2007: 68). Qualitative research is a research that produces findings not arrived at by statistical procedures or other means of quantification (Strauss & Corbin, 1998: 10-11). Based on its description, the data in this research will be in words, and in this research there will be an investigation about how integrity values appears in hotel websites as the tool of Public Relations. The objects of this research is 3-star hotel in Solo (Pose In Hotel; the website address is <http://solo.poseinhotel.com/> and Fave Hotel; the website address is <http://www.favehotels.com/home/eng>) and 4-star hotel in Solo (Solo Paragon Hotel; the website address is <http://soloparagonhotel.com/> and Ibis Hotel; the website address is <http://www.ibis.com/gb/hotel-6530-ibis-solo/index.shtml>). Beside the four hotels, this research also uses the website of <http://www.agoda.web.id>, as the data source for testimonial and review from hotel guests. The collecting data in this research are using some techniques, such as documentary method and online data investigation methods (Bungin, 2007: 121-123, 124-127). Documentary method includes some activities such as observation towards book or references

about hospitality business, public relations, and integrity. While online data investigation methods include some activities such as observation towards hotel websites and hotel guest comment on websites. Analysis data technique used in this research is inductive, meaning the analysis happens when the collecting data still on process.

#### **4. Research Result**

As mentioned previously, this research seeks to investigate the values of integrity on the websites of four hotels in Solo, which is a 4-star hotel (Solo Paragon Hotel & Ibis Hotel) and 3-star hotel (Pose In Hotel & Fave Hotel). The values of integrity that will be analyzed are the honesty; following standards and procedures; and business ethics. Meanwhile, hotel website as a form of online communication will be investigated on some aspects; they are hypertext, interactivity, and archiving.

Honesty implies conformity to the actual situation. Generally, the four hotels that become the object of this study apply this first aspect of integrity on their websites. They provide information that really is same with the actual condition, even when the information shows the weakness of their hotel. For instance Fave Hotel website. They honestly show that they have no swimming pool, business facilities available at the hotel, provide extra bed or baby crib, etc. The other 3-star hotels in this research also honestly give the information about the actual condition. Pose In Hotel provide information that they don't have some facilities in some types of rooms which they provide in another type of rooms.

They do really inform facilities that really are exist in their hotel, on the websites. But moreover, there are also websites that do not fully show the condition of the room or meeting room and facilities with illustrations or pictures. They generally give verbal descriptions written a fairly complete, even based on the characteristics of online media; they also implement archiving in order to demonstrate honesty as the value of integrity. They do show the picture, but

usually only the high rate room that be shown in website. Archiving in online media can be more rich and varied with sound, pictures, videos, tables, graphs, and other data that can complement a particular article. In addition, the capacity of the media archiving online is unlimited when compared with the capacity of discs (Ward 2002: 138-141).

Following standards and procedure include the satisfaction of the guests, because when a service in a hotel follows the standards and procedures, the guests will feel satisfied, so they will give a positive review or testimonial about the hotel. Unfortunately, not all of hotel websites in this research display the guest testimonials. The only websites hotel that show guest testimonial is Fave Hotel. In order to see the guest comments, this research uses <http://www.agoda.web.id>, it is a reliable website on providing hotel information all over the world.

In the agoda website, it seems clear that the trend of the guests who have stayed at four hotels in this research feel satisfaction, with the positive tone of their comments. However, dissatisfaction is still visible in the services provided by the Fave Hotel and Pose In Hotel. Although the website display both 3 star hotels show honesty, but still causing negative commentary, meaning, they are not satisfied of the services and facilities. Hyperlink is also appearing clearly in the entire website of four hotels in this research, especially the hyperlink related to facilities and services. Hyperlink is also known as hypertext or linkage. In essence, hyperlink is a feature contained in the online medium in which the reader can be connected with other websites (external hyperlink) or other articles from the same website (internal hyperlink) when reading a particular article (Ward, 2002: 25). This aspect of online media seems to be concerned by the hotels, because it does really helpful and will make the websites become a friendly-user websites.

The other aspect of online media that related to the second integrity values is interactivity. Interactivity basically is interactive relations that exist between some parties, including hotel and customer or customer and customer. Generally, all of the four hotel

websites are not interactive enough. They don't provide a chatting line (only Pose In Hotel who provide it, but it never online). They just provide email address, office address, telephone number, and fax number. Some of them provide social media account (Solo Paragon Hotel and Pose In Hotel).

The last integrity values that be investigated in this research is business ethic. Generally, the websites of four hotels are showing a good business ethic. They never mention anything bad about their competitor. They also apply the online media aspect to emphasize the business ethic value, it is hyperlink and archiving. The material that exist in hyperlink and archiving are about Solo and its surrounding, including the event, the mall, the tourism spot, the historical building and others.

## 5. Conclusion

Generally, based on this research, the website of Solo Paragon Hotel, Ibis Hotel, Fave Hotel, and Pose In Hotel able to demonstrate integrity (honesty, following standards and procedures, and business ethics) in aspects of online media (interactivity, hyperlinks, and archiving). The four hotels are relatively new in Solo, they just two years ago began the operation. However, the 4-star hotel better in demonstrating the values of integrity at the aspects of online media compared to the 3-star one. Finally, this research could be developed further to include other elements of the value of integrity, or even another value. Object of research can also be varied by another hotel.

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COMMUNICATION

COMMUNICATION, INTEGRITY  
AND ETHICAL ISSUES IN MEDIA:  
EMERGING NEW  
COMMUNICATION MEDIA IN PROMOTING  
INTEGRITY AND COMBATING CORRUPTION

# **Integrity, Youth, and Social Media**

## **The Challenges of the Integrity Enforcement through Social Media**

Hadi Purnama, Drs., M.Si.

### **Abstract**

*Corruption today has become a global threat. Corruption - as a crime against humanity was incredible - not just a question of law, economics, and politics, but also a serious threat to life aspects of society. In fact, if left corruption will erode the integrity of a society.*

*Corruption in Indonesia has shown an increasingly worrying phenomenon. It increasingly widespread, the perpetrators come from all layers of society with sophisticated ways. However, in Indonesia corruption is done in a collective way and well organized.*

*Various attempts have been made to combat corruption by made anti-corruption act and also establishing and empowering anti-corruption agency (KPK). However, these effort useless without support from civil society.*

*Efforts to combat corruption in Indonesia is not only through traditional media, but also made by using social media. Today, almost 50 million Internet users in Indonesia, and it supported by increasing number of cell phone users.*

*This paper will describe the potential usage of social media as tool in the fight against corruption in Indonesia. Here are some questions that will be answered by this paper, namely: (1) what is the function of social media in fighting against corruption?; (2) why people use social media in the fight against corruption?; (3) how people use social media to fight corruption?; (4) what is the impact of social media use in the fight against corruption?; (5) what are challenges to eradicate corruption in Indonesia through social media.*

**Keywords:** youth, corruption, social media, integrity



“You may never know what results come of your action, but if you do nothing there will be no result”  
- *Mahatma Gandhi* –

## 1. Introduction

Integrity becomes global issue today, along with the outbreak of numerous cases of corruption in various countries without exception in Indonesia. Strengthening the integrity of the more crucial when it does not want corruption to be a serious threat to the survival of human civilization. Corruption as the dark side of human civilization, if left not only plundering the country, but will also undermine the cultural foundations of the nation.

Indonesia is one prominent country that is taken into account in the Asia Pacific region due to two factors, firstly because they adhere to the democratic political system-is since 1998, and second, as a country with high economic growth in Asia (an average of 6 percent per year). But, Indonesia is a country that is still left in the enforcement of integrity. Data from Transparency International (TI), which still puts this country as the country with the highest corruption cases.

TI Reports in 2012 ([www.transparency.org](http://www.transparency.org)) which surveyed 174 countries put Indonesia in the position to 118, with Corruption Perception Index (CPI) of 32. In Southeast Asia, this position below Singapore (order 5: GPA 87), Malaysia (54/49), Philippines (105/34) and Thailand (115/34). Indonesia’s position is “better” than Vietnam (157/31) and Cambodia (157/22). Comparing with the TI report in 2011, Indonesia in 2012 CPI score clearly better despite declining position. The previous year the position of our country still ranks 115 (out of 179 countries) with a score of 28.

Obviously, it correlated with the low integrity of society in our country. This is indicated by the high cases corruption that has been entrenched in almost all aspects of life. Systemic corruption has spread from politicians in parliament to public servants at local bureaucracy. It involving also law enforcement officers. Ironically, corruption has also penetrated into the sacred sectors, such as occurs in the case of procurement of Holly Quran and Hajj Funds

in the Ministry of Religious Affairs. In fact, cases of corruption have dragged a number of political leaders from Islamic parties.

Corruption cases in many countries varies inversely with insights and upholding integrity in the community, particularly in the context of the institutional. The integrity of the organization is often defined as a set of characteristics on which the organization was able to develop confidence in his stakeholder interests (stakeholders). A concept that refers to the four principles such as accountability, competence, ethicality, and corruption control.

Education is one among four principle step to prevent society from corruption. By education young genartion can learn integrity earlier. If this can be done effectively, it is expected to cut the vicious circle of corruption. There are many ways and media that can be done to educate anti-corruption to young people. It can be done formally and informally through social media. To educate integrity among youth, it need an educational effort byusing traditional media or the mainstream media (such as newspapers, magazines, radio, television and film), as well as through new media (new media). Social media can be empowered as educational media integrity among young people is social media in all its variants.

Why youth and should use social media? There are a number of reasons why young people as the target of education and social media as a tool which is used as a medium of education for the awareness they have also wipe eradicate corruption. First, of the total population of Indonesia, which has been through a number of 259 million people, more than 63 million are residents of areas between the ages of 16-30 years (<http://edukasi.kompas.com>). Alternatively, 24 percent of the inhabitants of the (<http://www.menkokesra.go.id>). From the perspective of integrity, the presence of Indonesian youth today are expected to be the leaders of the future will have more integrity than their predecessors.

Secondly, social media to be very strategic in the awareness of young people due to the growth of Internet users in Indonesia showed a trend to-soared. At least the trend of the increase occurred in the last five years, along with the development of social

networking media such as Blogs, Wikipedia, Friendster, Facebook, Youtube, and Twitter.

Along with the growing increase of Internet users in Indonesia, as well as the trend of social media users. Than 1 billion Internet users in Asia, currently be estimated the more than 800 million of them use social media, especially Facebook, QZone (in China) and Twitter (<http://metro.sindonews.com>).

## **2. Literature Review**

### **2.1 Corruption**

Corruption is often defined as the practice of abuse of power aimed at personal gain. Derived from the Latin word *corruptio* or *Corruptus*, becoming known through Dutch *Korruptie* used as loanwords in Indonesian language into corruption. The essence of the meaning of corruption practices emphasized theft by deception in a situation that betrayed the trust (Semma, 2008:32).

Indeed, corruption is a social and cultural phenomenon that has been rooted in human history. Even philosophers such as Aristotle has formulated what became known as the moral corruption, referring to the various forms of the constitution that has deviated from the law, but merely to serve the self-interest (Semma, 2008:32).

There are several theories that attempt to explain the factors that trigger corruption. Alatas describes the modern era of corruption fueled by rentet's world wars, especially World War II. Wake of World War II has caused the shortages and inflation triggered by weak government oversight, so menuburkan corrupt practices by reason of insufficient revenue to cover (in Semma, 2008:38).

Namun, belakangan tesis ini disangkal oleh sejumlah ahli. Penyebab munculnya praktik korupsi sangat beragam di tiap negara, dan sangat bergantung pada kebijakan nasional, latar sejarah, tradisi birokrasi dan perkembangan sistem politik. Berbagai studi yang dilakukan di beberapa negara menunjukkan korelasi antara praktik korupsi dengan rendahnya Produk Domestik Bruto (PDB), rendahnya pendapatan, tingkat inflasi dan rendahnya tingkat

kompetisi.

Recently this thesis is denied by a number of experts. Corruption in each country vary and depends on national policy, historical background, bureaucracy tradition and political system. Various studies conducted in several countries have shown a correlation between corruption with a lower Gross Domestic Product (GDP), low income, low level of inflation and the level of competition.

Correlation between corruption with these factors being indecisive anymore. In fact, it is very difficult to distinguish whether these factors is cause or as a consequence of corruption. So, there is a variety of other thesis is consensus on a series of corruption are correlated with the factor of structural and institutional, such as government posture, levels and forms of decentralization, regulatory quality, the management of public ser-vices, as well as civil rights and political ([www.trans-parency.org](http://www.trans-parency.org) ).

In a study conducted by a group of scholars have developed several models to explain factors suspected as the cause of corruption. Studies conducted Nye (1967) and Rose-Ackerman (1999) by focusing on a rational choice approach, asserted that corruption is the result of a balance between resources and costs.

## **2.2. Social Media**

The presence of the new media as oppose of traditional media can not be separated with the birth of Internet. The new media that have developed since the end of the 20th century is an umbrella terminology for computer-based media, which has a complex pattern of interaction between producers and consumers of media. Because of new media often called many-to-many media (Stewart & Kowalztke, 2008:1).

The Internet itself began with ARPANET was developed as an instrument of data transfer for the benefit of the military in the 60's era. Her presence is a breakthrough in personal communications and the public, especially since the development of business on the internet is known with his dot.com phenomenon, as well as the emergence of the phenomenon of social media (social media) is

characterized by the presence of a blog (short for weblog) was first used by Jorn Barger in 1997.

Followed by the rise of social media in the last several years as more and rising popularity of social networking media such as Friendster, MySpace, Facebook, Linked-in and Twitter. Social media emerged since the birth of social networking sites SixDegrees.com in 1997. Through this site the Internet users online simultaneously, followed by the establishment of general principles that form the characteristics of social media.

In recent years accrued the rise of social media in the last several years as more and rising popularity of social networking media such as Friendster, MySpace, Facebook, LinkedIn and Twitter. Its presence did not appear suddenly, because the birth of social networking from sites SixDegrees.com in 1997. Through this innovative site, Internet users can be online simultaneously, followed by the establishment of general principles that form the characteristics of social media, namely: (1) social media, blog and then developed to find the form in accordance with the wishes of the masses. For example, a blog which was originally a "travel notes" someone on the

In general, the characteristic features of social media as an internet-owned online media, such as:(1) interactivity;(2) hipertekstualitas; (3) nature of multimedia;(4) personalization of digital content. Interactivity (interactivity) held Internet social media meaningful communication model is characterized by 'many-to-many' (many-to-many), thus allowing the reader to respond (Deuze, 1997).

While hypertextuality allows Internet users to understand the meaning of the whole thing in one day in a personal context (personalized context). Hipertextuality is manifested in the form of links that connect announcements or short story into the con-text of a deeper, full of illustrations, background information and previous statements on the same subject.

In general, the characteristic features of social media as an internet-owned online media, such as:(1) interactivity;(2) hipertextuality; (3) nature of multimedia, (4) per-sonalization of

digital content. Interactivity held Internet social media meaningful communication model is characterized by 'many-to-many,' thus allowing the reader to respond (Deuze, 1997).

Personalization of content became characteristics of the Internet indicated by the use of first person pronouns such as ' ... I '(or' My ... '), so that gave her the opportunity to the user to provide news and information to more personal (<http://www.apollomedia-blog.com>).

Social media is an umbrella terminology that refers to the various activities that integrate technology, social interaction and building words, pictures, video and audio (<http://www.wikipedia.org>). Social media also refer to the user's web-based technologies (web-based) and mobile, which is all the gadgets, which are characterized in the form of interactive communication. This is confirmed by Andreas Kaplan and Michael Haenlein define social media as a set of Internet-based applications (Internet-based applications) are built on the ideological and technological foundations of Web 2.0. that allow the creation and exchange of content. Short-words, social media is media for social interaction, as a set way of enriching social communication using communication techniques that are easily accessible and spacious ([http://en.wikipe-dia.org/wi-ki/Social\\_media](http://en.wikipe-dia.org/wi-ki/Social_media)).

### **2.3. Youth**

Currently Indonesia has approximantely 259 million people, with details of more than 132 million male sex, and more than 127 million women (data Ministry in <http://na-sional.kompas.com>). Young men and women with an age range is also often called Generation Y (Gen Y) and a number of other names such as Millennial Generation (abbreviated Millennials), Facebook Generation, Generation Next, Net Generation, Echo Boomers or ([http://en.wikipedia.org/wiki/Generation\\_Y](http://en.wikipedia.org/wiki/Generation_Y)).

Gen Y is a terminoly which came from Ad Age magazine (30 August, 1993), referring to the younger generation who were born after 1981. While the terminology popularized by Williaw Millennials

Strauss and Neil Howe in the book *Generations: The History of America's Future, 1584 to 2069* ([http://en.wiki-pedia.org/wiki/Generation\\_Y](http://en.wiki-pedia.org/wiki/Generation_Y)).

### **3. Methodology**

To analyze the issues this paper will use a qualitative approach through the study of literature methods. In this case I would do a search of scientific literature and documents related to the object. Social media in relation to the enforcement of integrity among the youth in Indonesia. In this case I will trace possibility all of scientific journal related to the usage of social media.

### **4. Research Result**

Some factors are related to the presence of the young, social media use and cultivation of the values of integrity in Indonesia. First, the number of the young people growing up in Indonesia. With a population of over 250 million, currently 24 percent or more than 63 million of them are the youth aged 16-30 years. In fact, in one or two decades the proportion of finally expected to be earning close to 70 percent of the total population of Indonesia.

Second, the use of social media in Indonesia became significant from time to time showed improvement. When in 2009 a new Internet users in Indonesia amounted to 30 million, according to data released by the Association of Indonesian Internet Service Provider (APJII) in the year 2012 there were 63 million, or about 24 percent of Indonesia's population. According to the predictions APJII this figure is expected to continue to grow, which is 82 million (2013), 107 million (2014), and will break the 139 million in 2015. Not surprisingly, the International Telecommunication Union (ITU) predicts growth of Internet users in Indonesia is not far from development of global Internet users who now make up more than 2.4 billion (<http://www.antaranews.com>).

Third, the majority of users of online media today is primarily the youth - is often called Gen Y - those currently aged between

12-30 years old - used to consume media online. The group was dubbed as a digital native by Marc Prensky - being brought up in a digital environment - tend to start leaving traditional media. Data collected by APJII predict the population aged 12-34 years in Indonesia dominate Internet users, or about 64.2 persen.dari total population. While the group of users aged 20-24 years reached 15.1 percent of the total users (<http://www.antaranews.com>).

Fourth, the issue of integrity will be correlated with the issue of freedom to seek, receive and impart information is a determinant factor in a ne-because that democra-cies. Therefore, to combat corruption takes many efforts to create information disclo-sure (transparency).

Many efforts to encourage freedom of expression, transparency of information, and freedom of the media necessary legal and regulatory framework. Indonesia has legal protection, such as the 1945 Amendment, 39 Law on Human Rights, Law No. 40 on the Press, Freedom of Information Act 14 and Act 32 of Broadcasting.

#### **4.1 Why Social Media?**

The increasingly use of social media can be used as a means to educate the integrity, especially among young people. Even though social media platforms have been "designed" as a tool to combat corruption. This is related to the characteristics possessed social media such as anonymity, aggregation (aggregation), interactivity (interactivity), immediacy (instantaneity), and viral (<http://www.nobribe.org>).

By the nature of anonymity, social media users can more freely Why expose cases of corruption. Freedom of expression and information can be done because the user identity is protected, for example by using names instead of the actual, changing picture of yourself with an avatar, to the use of open web proxy servers that are difficult to trace. The final way was made by a group of young Iranians who criticize his govern-ment.

Aggregation or raising other characteristic possessed by social media, and can be used to raise the so-called "common knowledge"



about corruption. One example of the most common format is Wikipedia, as a result of the aggregation contains references on various topics related to corruption were made by anonymous contributors.

The interactivity of social media provides the opportunity for “silent majority” to join the discourse or discussion rather than as a passive observer. Some social media (including Facebook, Blog, Twitter, or Youtube) has facilities that encourage users to participate as “Like”, “Dislike”, “Share”, “ReTweet”, “Comment”, “Bookmark” or “Vote Poll.”

Immediacy factor (instantaneity) in social media also provides an opportunity for users to participate in combating corruption. Young people today are consumers who prioritize ease of communication media and information actuality owned by social media.

Another feature that is owned social media is spreading the message that is similar virus. The spread viral messages through social media have shown in the case of the Spring Revolution in Tunisia, Egypt and Libya (Arab Spring). Arab youth are using social media against corruptive regimes, given its ability to spread its message quickly.

## **4.2 Integrity and Social Media**

With all the advantages it has the social media can be used to establish the integrity of a nation. However, to achieve that goal must be made at least some effort include: (1) education and socialization of social media to the public, and (2) community empowerment.

Education and socialization efforts are integrative measures should be taken to build understanding and awareness of the role and benefits of social media for the community. In essence, social media can be used not only as a medium of information and entertainment only, but it can improve the quality of life. The process of education and socialization do not have to go through formal channels that only involve the government or official institution, but it can make use of informal channels involving civil society.

Keyword related to the education and socialization of social

media is media literacy. By media literacy the community should be more literate to social media usage as one of the new media with a vary of characteristics that are not owned by traditional media, as well as its effects. Community cannot use social media effectively without media literacy.

### **4.3 Youth Against Corruption**

Kaum muda di Indonesia dapat berperan aktif dalam pemberantasan korupsi, mengingat posisi strategisnya sebagai calon pemimpin di masa depan. Kaum muda punya justifikasi melawan korupsi, karena saat ini mereka menjadi saksi dan sekaligus korban tindak korupsi yang dilakukan oleh generasi sebelumnya. Korupsi telah merengut hak mayoritas kaum muda untuk mendapat pendidikan yang berkualitas, pelayanan kesehatan terjangkau, dan peluang kerja yang diakibatkan oleh praktik korupsi.

Young people in Indonesia can play an active role in fighting corruption related to strategic position as a potential leader in the future. Young people have a good reason to fight corruption, because now they are a witness and a victim of corruption committed by previous generations. Corruption has frowned their rights have opportunity for a quality education, affordable health care, and job opportunities.

The first step that must be done is building awareness of young people about the dangers of corruption. The next step is to empower youth as an effort to fight against corruption on a massive scale. Social media can be powered by young people fighting against corruption.

Transparansi dan akuntabilitas merupakan prasyarat penting dalam sebuah masyarakat Madani (*civil society*), dan transparansi pula yang dapat menangkal berbagai praktik korupsi. Media sosial memiliki kedua karakteristik tersebut, karenanya dapat dimanfaatkan oleh berbagai pihak untuk menyebarkan semangat transparansi dan akuntabilitas. Gubernur dan Wakil Gubernur DKI Jakarta Jokowi-Ahok, mulai membangun tradisi transparansi dan akuntabilitas publik dengan secara rutin meng-unggah (*upload*)

berbagai informasi penting yang terkait dengan aktivitas di lingkungan birokrasi melalui media jejaring sosial Youtube yang dapat dikomentari langsung oleh masyarakat.

Transparency and accountability are important prerequisites in a civil society. It also can counteract corruption. Social media has both of these characteristics, thus can be used by various parties to spread the spirit of transparency and accountability. Governor and Deputy Governor of Jakarta, Jokowi-Ahok, built a good tradition of transparency and public accountability by regularly upload their office activities through social media. The usage of social networking media like Youtube directly comment by public.

Youth in Indonesia became vital agent for combating corruption. Case of "Coins for Prita" be one important milestone for social media as a medium for community to express their voices. Also, in the case of "Save-KPK" as the massive social movements utilize social media to gather public support refused Indonesian National Police which criminalize the KPK.

Efforts to combat corruption through social media was made by young people in different countries. Millions Indians drive change with activist Anna Hazzare, and make social media as a weapon to garner public support through Facebook or Twitter. Millions of young Indians vying to provide support for Hazzare through # annahazzare. So did young people in the Arabian Peninsula overthrew a corrupt regime by mobilizing opposition through social media. The effectiveness of social media as a medium of resistance given the new media can not be controlled by the authorities, as well as traditional media newspapers, radio and television.

Different ways to fight corruption is also done by young people in Brazil. Inspired by the mobilization of Arab youth movements, they try to fight corruption in Brazil by using social media. They used of pictures or photos, videos, and virtual flyers to distribute information, organize the protesters and volunteers via Facebook, Twitter, and other social networking media (<http://www.worldbank.org>).

Even though social networking media - such as Facebook

– must recognize as a very useful tool in connecting the various communities (in the virtual nature), but it is not a shortcut to building community participation. The point is that public participation should be managed in a planned and can not be built instantly.

## 5. Conclusion

Various examples described above proves that social media can play an active role to build public awareness, especially about the importance of the principles of transparency and public accountability. Social media also played a role important in the fight against corruption in this century, because it has the ability to distribute in quantity, quality and speed of packing and delivery of messages komunikasi.

Quoting Philip Howard (2010), social media, Internet, and cell phones do not by themselves create a democratic transition, but with the current context, there is no democratic transition without the presence of information technology.

With the impact of the social media in the fight against corruption, the youth should be memanfatkannya optimally to encourage the creation of sustainable human development.

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# Twitter's Role in Enforcing Integrity in Indonesia

Syafiq Basri Assegaff

## Abstract

*New Media lately proved itself as a very powerful tool in enforcing integrity in Indonesia's socio-political agenda. Last October 2012, when Indonesian President Susilo Bambang Yudhoyono (SBY) addressed the nation over the confrontation between the Corruption Eradication Commission (KPK) and the Indonesian National Police, he credited Social Media as a means to gauge public opinion. Social Media, especially Twitter, has been the loudest in voicing demands for Yudhoyono to interfere in the confrontation. President's statement showed that the government has listened to the online aspirations of the people.*

*However, ever since the 'Arab Spring revolution' there has not much been written about the role of Social Media communication in Indonesia's socio-political arena. This fact becomes one of the reasons why the researcher thinks it is an important communication issue to be studied.*

*The other reason is related to Indonesia itself, as it is a relatively 'new' democratic country where its' citizens currently use various kind of Social Media applications for their dailiy activities. As one of the new emerging markets, Indonesia's Twitter users has reached around 30 million, making the country the fifth Twitter users in the world, after the USA, Brazil, Japan and UK. Around 55 million netizens in Indonesia share their experience with each others, ask, and recommend various topics and brands in New Media, enjoying themselves the era of 'democratization of media' which allow them to bring powerful and more meaningful communication, or 'conversation'.*

**Method:** *Using participatory observational approach, this preliminary descriptive collerational study discussed how Twitter particularly, and generally other Social Media applications such Facebook and blogs, could affect Indonesia's decision makers (ie. politicians) daily activities, and how it enforced their integrity.*

**Findings:** *The research showed that the role of Social Media, such as blogs and online portals with the big help of Twitter, in Indonesia has changed the communication between politicians (or brands) and their publics, especially Indonesia's Netizens. Actions by Indonesian publics (Netizens) showed that Social Media has urged politicians from the president to governor, as well as business executives, regardless they like it or not, to be more transparant and embrace integrity in their actions. In short, due to its function in empowering the publics, the New Media has played big roles in enforcing integrity in Indonesia.*

**Keywords:** *New Media, Twitter, Integrity, People's Power, Corruption Eradication Commission (KPK).*

## I. Introduction

In the year 2012 the New Media, also popular as Social Media, demonstrated itself as a very powerful tool in enforcing integrity in Indonesia's socio-political agenda. Last October 2012, Indonesian President Susilo Bambang Yudhoyono (SBY) addressed the nation over the standoff between the Corruption Eradication Commission (KPK) and the Indonesian National Police. In his speech the president credited Social Media as an important method to evaluate and appraise public opinion.

Among other Social Media tools, the popular microblogging site Twitter has been the loudest in voicing demands for Yudhoyono to interfere in the confrontation. President's statement showed that the government has listened to the online aspirations of the people.

Through codes such as #SaveKPK (a hashtag which plead to support the Corruption Eradication Commission or KPK), users sent messages ranging from contemptuous comments in Twitter, rally calls, petition signing invitations, to form a human chain at the KPK headquarters to making derisive comments about Mr. Yudhoyono. President's statement showed that the government has listened to the online aspirations of the people. During the first week of October only the hashtag #SaveKPK reached not less than 9 million Internet users<sup>1</sup>.

Those actions mainly promoted by prominent public figures, ranging from a university rector, Indonesia Corruption Watch (ICW) activist to the daughters of Indonesia's former president.

Mirroring the 'The Arab Spring' revolutions, those actions by Indonesian Netizens showed that New Media has changed everything in our life, and that it has changed the communication between politicians (or brands) and their publics. Social Media showed that communications have been two ways and horizontally, urging everyone from politicians to business executives, regardless they like it or not, to be more transparant and embrace integrity in their actions.

1 The Jakarta Post, 10 October 2012 (<http://www.thejakartapost.com/news/2012/10/10/in-kpk-saga-growing-power-social-media.html>), accessed on 10 November 2012

Social Media showed that communications have been two ways and horizontally. Public perceptions over a brand are determined by their experience sharing about the brands, and not determined by its promotion material and advertising anymore. The same applies to a prominent figure or a politician, their publics will perceive him/her according to their experience with the particular person, and does not based on his/her propaganda nor his/her talks, promises or 'lip services'.

As shown by the Indonesia's case – where Social Media plays huge role – publics now share and discuss everything in Social Media. As one of the new emerging markets with more than 230 million population<sup>2</sup>, Indonesia's netizen as of December 2011 reached more than 55 million people<sup>3</sup>. By June 2012, Internet penetration in Indonesia has achieved to 20,1 % of its population.

When last November 2011 it was estimated that almost 41 million Internet users in Indonesia actively socializing themselves on top Social Media Networks<sup>4</sup>, last October (2012) the number has risen much more. Recent statistics (from socialbakers.com) showed that almost 50 million users Facebook are Indonesians, making the country the forth biggest Facebook users, after USA, Brazil and India<sup>5</sup>. With almost 30 million users, Indonesia is now the fifth Twitter users in the world, after the USA, Brazil, Japan and UK, while the capital (Jakarta) is the most-active city in the world posting tweets<sup>6</sup>.

These people as well as hundreds of million netizens (including 500 million Twitter registered users) in the world share their experience with each others, ask, and recommend a brand (or brands) in Social Media. We now reach an era of democratization of media, where we must observe and measures publics' or audiences' perceptions upon brands in Social Media.

2 <http://en.wikipedia.org/wiki/Indonesia> - accessed on 25 November 2012

3 <http://www.internetworldstats.com/top2.htm> - accessed on 25 November 2012

4 <http://wearesocial.sg/blog/2011/12/social-digital-mobile-indonesia/> -- accessed on 26 November 2012

5 <http://www.socialbakers.com/facebook-statistics/> accessed on 29 November 2012

6 [http://www.mediabistro.com/alltwitter/twitter-top-countries\\_b26726](http://www.mediabistro.com/alltwitter/twitter-top-countries_b26726) accessed on 29 November 2012



As stated above, when the 'brand' is a prominent figure, government decision maker or a politician, then he or she has to be aware and understand that there are million netizens converse, ask on and ask about, as well as recommend him or her in their Social Media applications such as Twitter, Facebook, Youtube, blogs and LinkedIn. Now, in the time when media is being democratized, the politicians and government figures ideally should be more ethical and transparant in their daily duties and activities, because people get easier and faster tools to scrutinize and watch them through Social Media.

In light of events in Indonesia and the question of whether Social Media will play a greater role in influencing the country's policians and government decision makers' dailiy activities, the researcher is publishing this summary of the early findings about how Twitter, as one of the most popular Social Media used in Indonesia, will affect people's empowerment. Understandably when it happens, the poeople's power will enforce integrity among politicians or government decision makers.

The information for this study was collected through documentary research on Twitter and its users protest movements between October 2012 and early December 2012, and by way of participation with Social Media applications – particularly blog, online portal collector (or hub) and Twitter – on Jakarta's governor election campaign in September 2012 which was followed up through the end of November 2012.

While this research is ongoing, the information to date provides useful insights into a phenomenon that, to the best of researcher's knowledge, received little attention until Indonesia's President (SBY) made a statement showing that the government has listened to the online aspirations of the people.

## **2. Literature Review**

In recent years, communication researchers have conducted a number of studies about computer-mediated communication.

Ironically, computers were not originally perceived as communication tools. Quoting Rogers and Malhotra, Michael B. Salwen et al (2005) argued that the early use of computers was limited to number-crunching and other repetitive data-handling tasks. "The potential of computers for human communication, and thus for digital democracy, however, has been realized most fully only in the 1990s with the rapid diffusion of the Internet," wrote Salwen (p. ix)<sup>7</sup>.

According to Salwen et al (2005), perhaps the most pertinent application of the Internet and World Wide Web to "digital democracy" is as a news medium. Society extols the "informed citizen" conversant in public issues. It also prizes a vibrant news media, furnishing citizens with information about public issues. Admittedly, the informed citizen and the vibrant news media are ideals. Nonetheless, quoting several researches by Bertelsen (1992), Bogart (1995), Carpini (2000), Poindexter & McCombs (2001) and Wilkins (2000), Salwen argued both concepts underscore the role of citizens and the news media in sustaining democracy. "New media, or new forms of delivery of media messages, raise hopes and concerns about whether they will contribute to an informed public," wrote Salwen (p.ix).

As Internet and its applications has greatly evolved in recent years, understandably there must be many scholars studied computer-mediated communication, its implementation and impacts in the world today.

One of them was Athina Karatzogianni, who wrote *The Politics of Cyberconflict (2006)*. Karatzogianni focused on the phenomenon of conflict in computer-mediated environments and the internet ('cyberconflict') and looked at the way it has impacted on politics, society and culture. She provided a framework for analysing this new phenomenon, by adopting elements of social movement, conflict and media theory.

Perhaps, one of the studies that conceptually saw the Internet in Indonesia as a global phenomenon with global implication was

<sup>7</sup> Salwen, Michael B, Garrison, Bruce, and Driscoll, Paul D. (2005), *Online News and the Public*, New Jersey and London, Lawrence Erlbaum Associates.

Hill and Sen's book, *The Internet in Indonesia's New Democracy* (2005)<sup>8</sup>. The book was a detailed study of the political and cultural practices surrounding the provision and consumption of the Internet in Indonesia at the turn of the twenty-first century. Hill and Sen detailed the emergence of the Internet into Indonesia in the mid-1990s, and covered its growth through the dramatic economic and political crises of 1997–98 and the subsequent transition to democracy.

The Internet in Indonesia, Hill and Sen argued, had become a space from which educated middle-class liberal democrats could mobilise armies of volunteers to monitor the ballot across the archipelago, but, more importantly, it was an avenue through which they could then scrutinise the progress of their new democracy and determine whether it warranted their support. For them, at least, the Internet provided a platform for a shared experience of this most important of democratic symbols. (p.97)

However, since the book was published in 2005, Hill and Sen have not discuss recent incidents such as the role of Social Media in Indonesia's political and cultural practices.

As previously stated in the Introduction, Indonesia's netizen as of December 2011 reached more than 55 million people<sup>9</sup>. By June 2012, Internet penetration in Indonesia has achieved to 20,1 % of its 230 million population.

It was estimated that in October 2012 almost 50 million users Facebook are Indonesians, making the country the forth biggest Facebook users, after USA, Brazil and India<sup>10</sup>. With almost 30 million users, Indonesia is now the fifth Twitter users in the world, after the USA, Brazil, Japan and UK. At the same time, the capital (Jakarta) is named as the most-active city in the world posting tweets<sup>11</sup>.

It is now the time for politicians, and other decision makers

8 Hill, David T., and Sen, Khrishna (2005), *The Internet in Indonesia's New Democracy*, Oxon, Routledge.

9 <http://www.internetworldstats.com/top20.htm> - accessed on 25 November 2012

10 <http://www.socialbakers.com/facebook-statistics/> accessed on 29 November 2012

11 [http://www.mediabistro.com/alltwitter/twitter-top-countries\\_b26726](http://www.mediabistro.com/alltwitter/twitter-top-countries_b26726) accessed on 29 November 2012

(from government people to business owners, professionals and CEOs) to be more transparent and understand that through Social Media citizens, or netizens, can easily access almost any information they want and share them with their friends and communities. In other words, it is time for government people, politicians and other decision makers to be more prudent for embracing integrity in all their daily activities.

The reason is that Social Media such as Twitter seems to be very powerful in helping the media to be more democratic. According to Karatzogianni (2006), in political terms the Internet is viewed as a vehicle for educating individuals, stimulating citizen participation, measuring public opinion, easing citizen access to government officials, offering a public forum, simplifying voter registration and even facilitating actual voting. "It has been termed a powerful technology for grass-roots democracy and one that, by facilitating discussion and collective action by citizens, strengthens democracy," Karatzogianni writes, "It also has been called potentially the most powerful tool for political organizing in the past 50 years." (p.6).

Quoting Tsagarousianou *et al* (1998: 8), Karatzogianni (2006) argued that cyberspace offers a medium in which people can interact and coordinate their actions without relying on a face-to-face contact. (p.7). Similar with what Karatzogianni (2006) wrote, political groups can now have a voice that is very difficult for governments to silence. According to Karatzogianni, Everard (2000: 158) mentioned that the build-up to Indonesian elections and the subsequent overthrow of the Suharto regime (in 1998) saw the internet become an active player as Indonesians sought alternative sources of information, while the authorities tightened media controls.

Now, in the new era of Internet, the Social Media have made Indonesian citizens to be much more equipped. With the emergence of this new phenomenon, although the political and economic actors have unlimited access to easier and cheaper means of political or business communication, they still have to face the democratized society who shared things with their online friends or groups and

put serious measurements towards any politicians, CEOs or their brands.

Borrowing from Karatzogianni, we can say that these new technological opportunities affect the political situation in various ways. "Political communication becomes more mechanized, it is instant and cheaper and new groups which were previously excluded can take part in a political situation without feeling excluded through the new technology," said Karatzogianni (p.8). The groups that use *information communication technologies* (ICTs) affect the political situation in that they put forward new rules of the game, the rules of new technology.

The above Indonesia's #SaveKPK case teaches us that to facilitate social distribution of communicators (politicians, PR or marketer) messages, they can also become accessible resources. According to Smith (2010)<sup>12</sup>, we know now that publics (or netizens) have unparalleled reach and access to information, and communication practitioners like politicians (or perhaps their PR persons) can help Social Media publics dissect and scrutinize the mess and uncertainty. In this way, information sharing and interaction facilitate relationship cultivation.

To borrow from Smith (2010), practitioners (mean politicians and other decision makers) should be well-versed in the online discussions to provide useful insights that fulfill user needs and lead to further interaction (which may be expressed as a user's decision to "follow" or "friend" the organization or practitioner).

As suggested by the founder of Future Works and one of the 'Founding Fathers' of the PR2.0 movement, Brian Solis (2011), 'communication professionals' will need to reconstruct communications entire model for the Social Web, accounting for the complex and elaborate two-way layers of traditional and new influencers and the communities that form around them and the

<sup>12</sup> Socially distributing public relations: Twitter, Haiti, and interactivity in social media; available at: <http://www.instituteforpr.org/scienceofsocialmedia/socially-distributing-public-relations-twitter-haiti-and-interactivity-in-social-media/>

ideas they represent<sup>13</sup>.

Consequently, since the 'communication professionals' can also include or politicians -- and PR practitioners who work for them -- they also must reconstruct their communications into the most appropriate new model, which force them, whether they like it or not, to be as transparent as possible.

According to Solis, communications industry has been evolved with so much technological advancement over the last century, including broadcast mediums and Web 1.0. None however, have forced complete transparency prior to the proliferation of the The Social Web, which many of us called it Web 2.0.

Furthermore Solis argues, that it is this element of fundamental transparency of Social Media combined with its sheer expansiveness and overwhelming potential that is both alarming and inspiring communication professionals everywhere. "At the minimum, it's sparking new dialogue, questions, education and innovation..." says Solis<sup>14</sup>.

Breakenridge (2008) argues that Social networks, for instance, is very important medium for getting people to talk about the people behind the companies. "If someone trusts the executives of a company, they're probably going to trust the brand."<sup>15</sup> Now, two of the biggest questions a brand has to answer in a crowded marketplace are: "What do you stand for?", and "Can I trust you?"

Thus, it can be said that even the business people now are being dragged into new attitude of honesty, more customer (which means public) centric, and conduct a more ethical business behavior.

According to Senior Manager in Nokia's Corporate Strategy Group, Stephen Johnston, social networks connect with other people who share same interests, however niche – so markets that were previously inaccessible can now make sense. As cited by Breakenridge (2008), Johnston feels that social networks give individuals a voice –

13 Brian Solis in Scribd: <http://www.scribd.com/doc/16217149/The-State-of-PRMarketing-by-Brian-Solis?autodown=doc> – accessed on 25 November 2012

14 Solis: <http://www.scribd.com/doc/16217149/The-State-of-PRMarketing-by-Brian-Solis?autodown=doc> – accessed on 26 November 2012

15 Breakenridge (p.125)

it empowers them to publish whatever they want to say, whether it's by posting their videos, pictures, or blog posts (p.128).

As cited by Mohammed (2003), the internet eliminates boundaries in geography, firms (as well as political parties and politicians in this study - SBA) can communicate and reach segments of customers (or publics - SBA) previously difficult to access (p.91). The result of this is that individuals and brands are all just as important as each other.

From the Indonesian case above, we can say that an activist like Ms Anita Wahid or even a young girl in a small city can have more friends than a big billion dollar brand (or, say, a famous politician) in any one social network site. This is the power we are discussing here. The power of niches. Since we already entered the Recommendation Age, and left the Information Age, we noticed another manifestation of 'wisdom of the crowds'. That 'wisdom', we should notice, together with Social Media and the democratization of content have now become important factors for a new and better communication activities.

On that note and for that reason, the researcher argues that it is important to have a closer look on the impact of Social Media towards Indonesia's politicians and government figures' day-to-day activities in relations to ethical and transparency behaviours.

### **3. Methodology**

From the objective point of view, this research can be classified as a descriptive collerational, using participatory observational methodology. Where in descriptive research normally the researcher attempts to describe systematically a situation, problem, or phenomenon, or provides information about , for example, living condition of a community, or describes attitudes towards an issue, in correlational research the researcher attempts to discover or establish the existence of a relationship between two or more aspects of a situation.

It can be seen from what the researcher did for this study.



Between September 2012 to early December 2012 the researcher tried to describe the recent phenomenon of Social Media used by Indonesian Netizens in their efforts to invite government's response towards their political demand, particularly in relations with their supports towards super anti-corruption body KPK (the Corruption Eradication Commission).

In other words, the researcher attempted to describe new phenomenon of Twitter, as one of the most popular Social Media in Indonesia, and discover its relationship with its various functions that can bring the effect of people's empowerment in the country. Consequently, when people become more powerful they can force politicians and other decision makers to be more serious in embracing ethics and integrity in their daily activities.

In the implementation of this research, the researcher separately enriched the observation with another (second) data collection, using participatory observational methodology.

As a type of data collection method, participatory observation is typically done in the qualitative research paradigm. As normally happen in this kind of researches, the researcher aimed to obtain a closer familiarity with netizens', who use news stories about the Jakarta's governor election in their Social Media conversations. However, since the observer didn't actively engaged in the practices of the observees behavior, or has only a bystander role, it is classified as a passive participation approach.

The research took place between September 2012 and early December 2012.

The second data collection referred to the Jakarta provincial election, in September 2012 when the Jakartans elected Indonesia's capital new governor in the second round. At that time there were two pair candidates who have won the first round in July 2012: the incumbent Mr. Fauzi 'Foke' Wibowo running with Nachrowi Ramli versus Joko Widodo and Basuki Tjahja Purnama. Around seven million Jakarta's electors had been talking about the election, far before the D-day which was scheduled on 20 September 2012. Many netizens actively had various conversations regarding that election



through Social Media, such as Twitter, Facebook and webblogs (blogs), with big passions.

The steps taken:

- (1) Two days before the election, the researcher collected several news stories with negative tone towards one of the governor candidate, then picked 11 most appropriate ones to be summarized and posted in researcher's blog as an article titled "*11 Serangan Terhadap Foke di Media*," which means '11 Attacks by Media towards Foke (the incumbent)'. The post can be viewed using this URL (link): <http://syafiqb.com/2012/09/18/serangan-terhadap-foke-di-media/>
- (2) On the same day the post was shared on the collector (or 'hub') website, Lintas.Me ([www.lintas.me](http://www.lintas.me)). The article can be accessed using this URL (link): <http://politik-hukum.lintas.me/article/syafiqb.com/11-serangan-terhadap-foke-di-media-sembrani>
- (3) The shared article then Tweeted on the Twitter for several times. Here is an example of one of the tweets: <https://twitter.com/sbasria/status/247976700032479232>.

Using the above steps, the researcher aimed to know what would happen if a negative news story about politicians is shared using the researcher's blog, third party news-collector website and Twitter. The researcher thinks that this study is still in its infancy. It does not only need inputs and critics, but also a further and more comprehensive study.

#### **4. Research Results**

The research showed that Social Media in Indonesia, particularly blogs and online portals with the big help of Twitter, has played a big role in changing the communication between politicians (or brands) and their publics. Somehow similar with the 'The Arab Spring' revolutions, actions by Indonesian publics (Netizens) on Twitter during a period between October 2012 to December 2012 showed that the New Media has given them more space, time and

opportunity to be more powerful in dragging politicians from the president to governor to be more transparent and embrace integrity in their actions. In short, due to its function in empowering the publics, the New Media has played big roles in enforcing Indonesia's politicians integrity.

The researcher found out that in the standoff between Indonesia's official anti-corruption agency, the Corruption Eradication Commission (KPK) versus the Indonesian National Police case, a big number of Twitter users passionately shared, discussed and inspired each others in demanding Indonesian government, particularly the president, to take immediate and appropriate action to support the KPK.

As has already been broadly published by media, last year (2012) KPK was in a very shaky position after taking on an Indonesian top police officer, one of its biggest cases to date. Police Inspector General Djoko Susilo has been accused of taking massive kickbacks in the procurement of driving simulators when he headed the National Police Traffic Corps division in 2010. After defying two summonses, he showed up at the commission's headquarters on Friday 5 October 2012. But he is clearly not taking the corruption accusation lying down, and appears to enjoy the full backing of the police force.

Created in 2004, the KPK has had remarkable success leading the campaign to clean up the country of big-time corruption, sending dozens of powerful politicians and businessmen to jail. In its work, it has collaborated with the National Police as well as the Attorney General's Office and relies on detectives seconded by these two institutions.

But when the KPK tackles corruption in the police force, according to senior writer Endi Bayuni, it inevitably upsets that relationship. Now, the commission may be undermining its work -- and its future. "The police are leading a KPK-bashing campaign and have found enthusiasts amongst the powerful institutions that have felt the wrath of the anti-graft campaign, such as the House of Representatives, the major political parties, and even the office

of President Susilo Bambang Yudhoyono (SBY)," Bayuni wrote in *Foreign Policy*<sup>16</sup>.

Insisting that they conducted their own investigation against Djoko Susilo, the police were doing all they can to frustrate the KPK's work. According to Bayuni, in the beginning of October the police withdrew 20 officers seconded to work with the commission. When they offered replacements, none of the candidates passed the KPK integrity test. The KPK has offered the 20 recalled officers to join full-time and build their careers with the commission; there were only five takers.

Politicians quickly jumped on the bandwagon. Major factions in the House of Representatives have proposed a bill to disenable many of the KPK powers. "If endorsed, the new law would effectively turn the commission into a toothless tiger. The House is already holding back funds allocated from the government budget for the construction of a new office for the KPK," added Bayuni. Unfortunately the government appeared to be playing along. It was certainly making no effort to protect the KPK. Although President SBY was elected twice, in 2004 and 2009, on his anti-corruption platform, he has recently felt the heat of graft-fighting himself, with the KPK going after top figures in his Democratic Party and in his Cabinet.

Furthermore, Bayuni argued, besides being under-funded and under-staffed, the KPK was becoming increasingly isolated. "The institutions with should be working with it are now turning against it. By taking many high profile cases at the same time, the KPK is spreading itself dangerously thin," Bayuni wrote.

In the midst of that hardship, the KPK eventually enjoyed massive support from the public, and last September 2012 a group of respected public and religious leaders visited the KPK in a show of support. Social media then was filled with messages of support and solidarity for the KPK as well as condemnations of the police and politicians.

Many of them also went to held demonstration on the street

<sup>16</sup> *Foreign Policy*, 5 October 2012: [http://transitions.foreignpolicy.com/posts/2012/10/05/indonesias\\_anti\\_corruption\\_commission\\_fights\\_for\\_its\\_life](http://transitions.foreignpolicy.com/posts/2012/10/05/indonesias_anti_corruption_commission_fights_for_its_life)

and in KPK office buildings with friends and people who shared the idea. Not only that. Some of the Netizens also created new pages or made comments in blogs, Facebook pages and Youtube, as well as inviting supports in their petitions.

Seeing those actions as incidents with big news value, national and international (traditional) media have continuously published or broadcasted the events in their respective newspapers, television and radio stations. Many of them, such as famous Kompas.Com, also quoted or referred to what people said in their Twitter accounts<sup>17</sup>.

As written by the main English newspaper *The Jakarta Post* on 10 October 2012<sup>18</sup>, that through hashtags like #SaveKPK (which plead to support the Corruption Eradication Commission or KPK), #DimanaSBY (Where is SBY, the president) #KemanaPresidenKita (mockering the KPK abbreviation) which means "Where is Our President?", Twitter users sent messages ranging from contemptuous comments in Twitter (while many of them also echoed the messages in their Facebook accounts), rally calls, petition signing invitations, to form a human chain at the KPK headquarters to making derisive comments about Mr. Yudhoyono.

Those actions mainly initiated or promoted by prominent public figures, such as Paramadina University Rector Anies Baswedan PhD, the daughters of Indonesia's prominent leader (and former president) the late Mr. Abdurrahman Wahid, Ms. Anita Wahid, Ms Anita's sister, Ms. Alissa Wahid, popular thinker Mr. Fadjroel Rachman, leader of the Commission for Missing Persons and Victims of Violence (Kontras) Mr. Usman Hamid, and Indonesia Corruption Watch (ICW) public campaign coordinator Ms. Illian Deta Arta Sari. The researcher learned that those names mentioned in the newspapers were not only active and very discipline in tweeting their messages in the Twitterland, but they also have more than tens of thousands followers in Twitter. One who had the biggest

17 Kompas.Com: <http://nasional.kompas.com/read/2012/10/06/1143266/Save.KPK.Presiden.ke.Mana>

18 The Jakarta Post 10 October 2012: <http://www.thejakartapost.com/news/2012/10/10/in-kpk-saga-growing-power-social-media.html> -- accessed on 10 November 2012

followers was Paramadina University Rector Anies Baswedan PhD, accounting for 169,283 people (on October 2012), followed by Mr. Fadjoel Rachman with 135,482 followers.

Therefore, it can be understood that during October 2012 only the hashtag #SaveKPK reached not less than 9 million Internet users<sup>19</sup>.

One of Anies' tweets said that, "those (KPK) investigators 'gambled' their career, future and perhaps their safety while we only can put the words SAVE KPK in the avatar..." (*para penyidik itu pertaruhkan karier, masa depan & mungkin keselamatan saat kita baru bs taruhkan kata SAVE KPK di avatar...*)

On 3 October 2012 the above tweet, among many other tweets, has been retweeted (means echoed or copied) by his followers 208 times. The researcher noticed that the tweets made by the activists have various inspiring and firm languages, and sometimes sound very strong.

The researcher also found out that Anies Baswedan (as one of the prominent anti corruption major players)'s tweets have become one of the most inspiring conversations for the followers. Here are some examples of what Anies wrote in his Twitter's Time Line between in October 2012:

- Re-tweeting Goenawan Mohamad of Tempo magazine, on 4 October Anies wrote the following: "Representative of street children in front of KPK leaders: "KPK don't dare to be afraid, don't afraid to be dare!" (RT @gm\_gm: Wakil anak jalanan di depan pimpinan KPK: "KPK jangan berani-berani utk takut, jangan takut-takut utk berani!")
- Don't let the KPK alone and stripped. President must take action in strengthening the KPK in fighting with the corruptor. (*Jangan biarkan KPK sendirian & dilucuti. Presiden hrs turun tangan dlm perkuat KPK utk #perangi koruptor.*)
- The more being attacked and weakened the more clearer

<sup>19</sup> The Jakarta Post, 10 October 2012 (<http://www.thejakartapost.com/news/2012/10/10/in-kpk-saga-growing-power-social-media.html>), accessed on 10 November 2012

the indication that KKP has been threatening the corruptor (*Makin diserang & dilemahkan maka makin jelas indikasi bhw KPK sdh makin menakutkan di hadapan koruptor. #perangi*).

As mentioned above, the researcher learned that the discussions and news about the Save KPK incident have interestingly also spread widely in the mass media. Both the Conventional Media and New Media have matched up each others and harmouniously showed their watchdog functions for the benefits of citizens, being the later particularly dominated by private individuals and civil society leaders.

As many other media, on Thursday 4 October *Berita Satu.Com* published a news story about dozens of activists who gathered in the KPK office building at Kuningan area, South Jakarta, demanding the SBY government to save KPK.<sup>20</sup> One of the demonstrators was Alissa Wahid, the daughter of Indonesia's ex President Abdurrahman Wahid, argued that people today came to the KPK like red ants congregating to support what KPK did in fighting corruption. Wearing blacks, the activists – consisted of anti-corruption figures, lecturers, students and community leaders – chanted, "Save KPK! Save Indonesia! Arrest Djoko Susilo (the Police General)! Tomorrow! (*Tangkap Djoko (Susilo)! Besok!*)"

Another writer and artist, Radhar Panca Dahana while cying (literally) said that Indonesia was run by crooks, that's why it became as bad as what we see now. "*Pak Abraham (Abraham Samad, chairman of KPK), Pak Busyro (Busyro Muqodas, vice chairman of KPK), I think we are now in war (with police force). War against corruption,*" said Radhar. The activists ascertained that Djoko Susilo's attitude tarnished police's reputation, and he must be put on trial. The attitude was also indicated as an effort to weaken the KPK's work in combating corruption.

On 6 October 2012, Heru Margianto of Kompas.Com, wrote a long story about it which was titled "Save KPK, Presiden Ke Mana

<sup>20</sup> Berita Satu, 4 October 2012: <http://www.beritasatu.com/hukum/75742-gerakan-save-kpk-berani-kebiri-kpk-rakyat-kebiri-koruptor.html>

(Save KPK, Where is The President).<sup>21</sup> The article then shared by thousands of readers: it was read by 33,847 people, got 185 comments in the paper page, tweeted 50 times and 174 people liked it in Facebook.

A website by salingsilang wrote that along Friday 5 October 2012 only, according to Kompas.Com, there were 39,997 #SaveKPK tweets recorded on topsy.com. Supports from people also happened in other Social Media. A website change.org, for instance, established a petition by anti-corruption activist such as Anita Wahid and her friends titled, "*Serahkan kasus Korupsi POLRI ke KPK! (Return the police corruption case back to KPK!) Hentikan Pelemahan KPK! (Stop Weakening the KPK!)*." On the day when the article was written (6 October 2012 morning) it has already reached 8,230 supporting signatures<sup>22</sup>.

Following the above action, on Sunday 7 October 2012 around one thousand activists congregated in Hotel Indonesia Circle (*Bundaran HI*, in the middle of the capital), demonstrating to support the pro integrity movement. As stated by media such as *Detik.Com*<sup>23</sup>, *Kompas* and *Berita Satu.Com*<sup>24</sup>, there are many protests happened in Jakarta, following the conversations in the Twitter. An excerpt from *Detik* told that, thousands of demonstrators gathered in Hotel Indonesia Circle demanding the government to defend KPK in the fight against corruption. Among the activists, there are public figures such as Anies Baswedan<sup>25</sup>, Usman Hamid<sup>26</sup> (of Kontras) and Goenawan Mohamad (of Tempo)<sup>27</sup>.

In Facebook, the '*Save KPK Save Indonesia*' account page<sup>28</sup> has

21 Kompas 6 October 2013: <http://nasional.kompas.com/read/2012/10/06/1143266/Save.KPK.Presiden.ke.Mana>

22 Kompas.Com, 6 October 2012: <http://nasional.kompas.com/read/2012/10/06/1143266/Save.KPK.Presiden.ke.Mana>

23 Detik.Com, 7 October 2012: <http://news.detik.com/read/2012/10/07/083410/2056541/10/ribuan-massa-save-kpk-menyemut-di-hi?991104topnews>

24 Berita Satu.Com, 4 October 2012; <http://www.beritasatu.com/hukum/75742-gerakan-save-kpk-berani-kebiri-kpk-rakyat-kebiri-koruptor.html>

25 Anies Baswedan's Twitter account: <https://twitter.com/aniesbaswedan>

26 Usman Hamid's Twitter account; [https://twitter.com/hamid\\_usman](https://twitter.com/hamid_usman)

27 Goenawan Mohamad Twitter account: [https://twitter.com/gm\\_gm](https://twitter.com/gm_gm)

28 Save KPK Save Indonesia Facebook account: <http://www.facebook.com/savekpk.saveindonesia>



been actively shared different news stories, comments and other satirical postings which allowed it to get not less than 24,000 likes. On 14 October 2012, the account shared a link from youtube that showed a song titled "Save KPK" by Cameo Project Yosi Mokalumu music arranger and friends. The facebook page has been re-shared by 50 other accounts, received 167 thumbs and got 18 comments.

A day before that, on 13 October, the 'Save KPK Save Indonesia' Facebook page posted a quotation by one of Indonesia's famous writer and poet Sitok Srengenge. According to Mr.Srengenge (who has more than 20,000 followers in his Twitte account<sup>29</sup>), there must be a fight back so that the parliament and other institutions have to be immediately audited. The post has been praised by 495 people who put their thumb signs, received 232 comments and shared by four others.

Following the above study, the researcher separately enriched the observation with another data collection. Using participatory observational methodology, the researcher intended to obtain a closer look towards Netizens on the use of news stories about the Jakarta's governor election in their Social Media conversations.

The research showed that although the article in the researcher's blog was only a simple restoration of 11 media sites – which carried negative tones towards the incumbent, Mr. 'Foke' and his partner -- it obviously brought a significant effect towards Social Media users.

The researcher almost didn't spin nor did he write a thought provoking article. It was a quick grasp, simple information and images gathered from selected 11 online media. It then went online only in a few minutes.

To researcher's surprise, only in few hours the linked post on Lintas.Me got so much viewers<sup>30</sup>. The following day the viewers jumped to almost 1,000, around 200 % more than usual visitors to other posts in the particular blog. By the end of September it had already reached more than 2,500 viewers, which entitled for a five star hot topic.

29 Sitok Srengenge Twitter account: <https://twitter.com/1Srengenge>

30 <http://politik-hukum.lintas.me/article/syafiqb.com/11-serangan-terhadap-foke-di-media-sembrani>



Consequently page views in the blog itself has also rocketed. The stat from Wordpress showed that on 18 September 2012 no less than 1,421 viewers visited the blog, with 644 of them viewing the particular article. The stat also showed that most viewers (529 and 249) referred from that hub collector site (Lintas.Me), which combined by referrals from Search Engines, Facebook and Twitter.

One can be sure that those who visited the hub site mostly came from Facebook and Twitter users, because after linking the post into the hub, the researcher had also shared its link to his Facebook page and Twitter accounts.

The fact that the article in the hub (Lintas.Me) got five stars (by 29 November 2012 it had 2,989 viewers, and by 5 January 2013 it reached 3.159 viewers up till today) and the blog reached more than 1,400 page views on 18 September showed that shareability and influencing is very important in the Social Media).

What the researcher has done with that '11 Attacks' post into the hub was what we call layering Social Media channels to enhance a kind of 'campaign', which is also a kind of sharing with others. It is a social activity, with intention to gain visibility for bloggers or campaigners.

The researcher found out that instead of just having a message or news to be sent out (or shared) directly to Twitter or Facebook, it will be much fruitful if a blogger could layer it – as it is putting content in a context.

The researcher observed that this kind of sharing content with layering was crucial, because we know that great content isn't great until somebody reads it, shares it and links to it. We know that it is not enough for us to only produce good quality contents, but we need to put them in context, and we have also have to do things that draw attention and links to them. And Social Media participation is yet another layer, perhaps one of the most effective, for enhancing one's search engine optimization, drawing eyeballs and those all-important inbound links to his/her content.

As long as bloggers pick a good timing of the posts and

necessity of speed with the news itself, they could disseminate their story in the most effective way by revealing and refining it through public channels and forums.

Based on the above observation, the researcher thought that anyone with simple blog could become an influencer at anytime and anywhere he or she wanted. It was also understood that politicians such as governor candidates (as well as other decision makers) should be aware that an unknown person in a remote place could also play a big role in watching and measuring their daily activities.

## **5. Conclusion**

The research showed that New Media has changed everything in our life, and that it has changed the communication between politicians such as the governor, KPK or police officers and the president and their publics. Public perceptions over politicians or decision makers are determined by their experience sharing about them, and not determined by propaganda, talks or promises.

It can be ascertained that Social Media applications enabled everyone, including politicians, to go directly to the publics, and vice versa. Social Media applications, coupled with many strategies on the Internet brought powerful and more meaningful communication, or 'conversation', with publics who demanded information and wanted to gather, organize, and shared content with their online communities.

Furthermore, because the Internet fosters users for individualization and interactivity, it gives power to Social Media users anywhere in the world. Everyone individually is now able to say whatever they want at any given time and place. Word of Mouth, the powerful medium to promote or kill a character (such as a politician or a brand), now becoming 'world of mouth', or 'world of mouse'.

The research and literature studies showed that interactivity also enhances that power, as every individual is now able to communicate with their old and new friends, socializing with people who stand for the same cause they care about, sharing their ideas

and influencing each others. The fact that tweets from those men and women in Indonesia reached nine million Internet users, which made the government reacted, showed that power. The power of democracy. The people's power. Those people have been tweeting for freedom of speech and freedom of expression which brought, in the above case, the idea to curb the corruption in Indonesia.

Only by multiplying tweets by Anies Baswedan PhD (with 169,283 followers on 29 November 2012) and Mr. Fadjoel Rachman (135,482 followers) -- which retweeted by their followers who also amplifying them by retweeting the content again – for instance, we could not imagine how big is the imminent power brought by Social Media.

Now, in the new era of ICT, the democratization of Social Media content also dictates the success, "shareability," and dissemination of one's story by revealing and refining it through public forums and channels. Social Media let the community guide how politicians and other decision makers approach them; it's now up to the community. It's the users (citizens, or the customers) -- and not the politicians, producers or the brands – markets (or publics) that they are facing.

Finally, it can be concluded that Social Media showed that communications have been two ways and horizontally, urging everyone from politicians to business executives, regardless they like it or not, to be more transparent and embrace integrity in their actions.

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# The Strategy of Indonesian Game Developer in Introducing the Integrity Values

Ridwan Sanjaya, Ph.D

## Abstract

*Currently, computer game is not used for entertainment purpose only. We could find several games in the market are used for educational purposes. Their game developers believe games could be an alternative media to distribute the information and knowledge in enjoy felling. The games are also able to illustrate the situation close to the reality, even though the players can not touch the objects inside the games.*

*Introducing the values of integrity to the children and adult can be designed as a part of education by using games. The storyline should drive the game-players to find the values of integrity by deciding the action should be taken in certain situation. The score will be increased when they choose the right decision related to the integrity spirit.*

*This paper will discuss the strategy for game developer to develop the games for integrity in Indonesian context. It should not just drive the players to play and enjoy the game, but also compete to do the right thing, both in quantity and quality. Internet and latest gadgets could be used in order to maximize the result in introducing the values of integrity to the people.*

**Keywords:** *consequence, education, game, integrity values, score, storyline*

## 1. Introduction

Computer games are often avoided by teachers because a lot of cases of addiction that often estrange students from the educational process itself. Even though the perspective of computer games now has been changed to be positive, this is not entirely wrong because there are many games that are made solely to satisfy the pleasure and heroism of the players. However, the game is actually like a knife that can hurt or help humans. In its implementation, the game can also be made for a positive purpose, like educational purposes (Janarthanan, 2012).

Games for education are become the common thing because a lot of the edu-games products are found in bookstores display and spread for free on the internet. The characteristics of the products are usually have purpose to learn something that is written on the cover of products. It works for the parents who want their children learn something or for the children who have more motivation to learn something.

But if the game developers have a purpose to share the knowledge for broader scope of players, the game must be made not just to learn something, such as games software commonly sold in bookstores. It should provide challenges for the players like popular games that are favored by children and young people currently. Spirit to share the knowledge must be embedded and integrated within the flow of the game itself. Players will absorb the value of education which is embedded in the game.

This is required especially for moral education such as ethics, anti-corruption values or other integrity values. The possibility for someone intentionally playing for moral learning objectives is very small since those values are often delivered by his/her parents or elders when he/she does not in the pleasant position because of doing mistakes.

In this paper, it will be discussed the strategy to transform the values of integrity as the spirit of the game. This strategy could be an alternative to make the young generation is willing to accept the lesson of integrity with glad and challenged.

## 2. Literature Review

These types of games that will be used as examples are categorized in the Role-Playing Game (RPG). Players can select their role in the game and play the activity by using the power or the ability of character (Hamami, 2011). Players will explore the map that have been designed and face several events inside the map. For example, the player has the task to complete each mission on the map by collaborating with several people who he/she met. Each person may hold the key or the answer to do or finish the mission.

Players will answer any questions or choose an activity that is most likely to do when they met the characters during the mission. The results of the selected answer will determine the score, collections, or the next activity to be performed by the players. If a question or answer choices provided customized with the spirit to learn the integrity values, the result will be the consequences that will be accepted by the players. The examples of the consequences of a positive response are increasing score, adding the player's collections, or gaining an access to the next level like a map, a card, or a key to go to another location. While the consequences of a negative answer could be a reduction in the score, failure to get a collection, or cancellation in gaining the access key to go to another location.

Commonly, game development requires programming skills or constructs the computer codes into processes that will be the solution to a particular job (Bills & Biles, 2005; Blackwell, 2002). If game development requires programming capability, the teacher as the content developer of integrity learning will be very dependent on programmers because not all of educators have a programming skill or computer educational background. To make the educators easier in game development, it needs a tool to help them in games creation without expertise in the programming or background in computer skills.

RPG Maker is a software tool that makes educators possible to develop games without having to learn programming (Duggan, 2012). Educators do not need to master any programming

language, but they still need to know how to use the software for implementing the designed scenarios in the computer game. By using that software, educators are not bothered with the technical aspects but rather on the development of creativity to incorporate the values of integrity to the game.

### **3. Concepts**

It needs a few steps to stimulate the educators for making the game and integrating the spirit of integrity into the game. These steps are explained below:

(1) RPG Maker Tool Workshop

This activity is a training to introduce the functions and operational of the RPG game development tools. The tool for the experiment can be downloaded via [www.rpgmakerweb.com/download](http://www.rpgmakerweb.com/download). The training is required to make educators feel familiar and comfortable in using the tool to make the game. It will keep away from their fear on the difficulty of making games.

(2) Workshop in making scenario

This training works for the development of creativity in making scenario to instill the values of integrity into the game. This activity is necessary to create a game which is not merely require players to learn the values of integrity, but also makes the game interesting especially when the spirit of integrity is inserted in the game.

(3) Workshop in making games

From the results of the scenario development for the values of integrity, educators are trained to transform the scenario into a game using RPG Maker software. This training is required to provide real illustrations in translating the scenarios into a game that can be enjoyed by many people.

(4) Implementation in the targeted schools

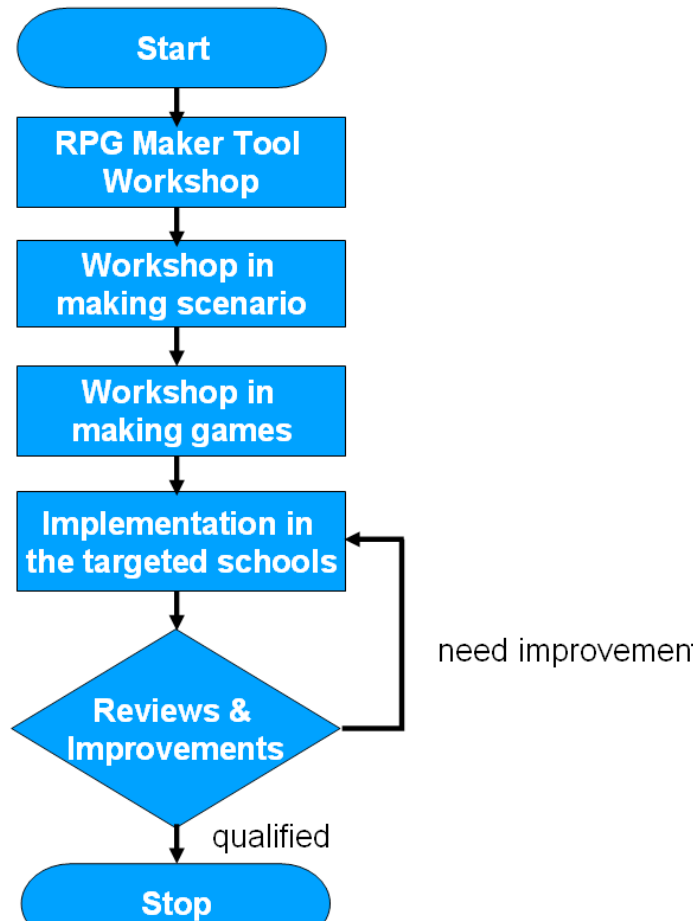
The results of game development should to be tested by students at the targeted schools to learn the response and interest in playing the game. The responses will be reviewed and used as a



base for game improvement.

(5) Reviews and Improvements

If the game is considered to have fulfilled the requirements as an attractive game and contains the values of integrity, then the game can be used as an alternative to learning the values of integrity in a broader scope. Use of the Internet is needed for the dissemination of coverage and impact of educational integrity using the game. But if the requirement does not meet, then a review of the game will be used as the basis of the game improvement (Hamami, 2011). The implementation in the targeted schools still needs to be done in order to get other feedbacks of the new improvements.



**Figure 1. Phases to stimulate the educators in game development of integrity values**

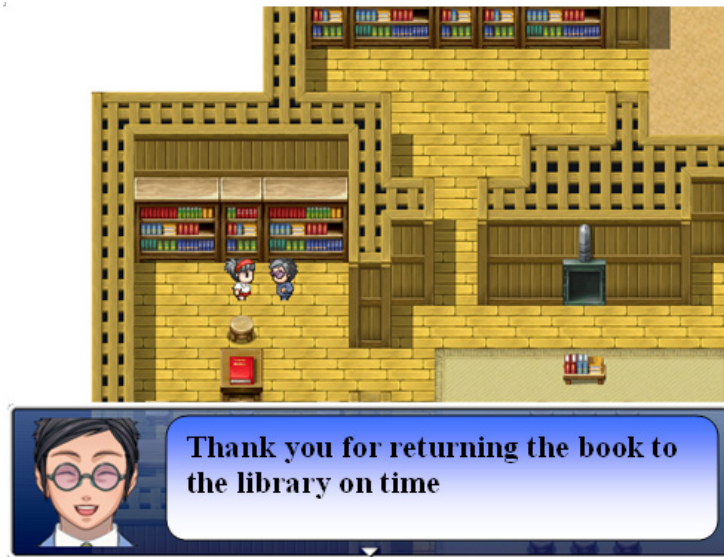
The need for competition in creating game based on integrity values is necessary to produce the better quality and more widespread impact. It will be important as a strategy to stimulate educators to produce the integrity educational content which is more attractive and more qualified for players. The other side effect, the competition can produce integrity-based game with different levels of integrity in the form of a game. This level does not always represent the educational level of the players, but more related to someone's level of understanding of the values of integrity.

#### **4. Implementation**

In order to unify the values of integrity into the spirit of the game without diminishing interest of the player to play the game, then the scenario should have some of the following elements:

- (1) Game-play should have an interesting story and a clear ending (Chen & Shen, 2010). It should not be burdened with the mission to promote values of integrity that can lead to the story does not develop freely. The values of integrity should be the spirit in the game, not as the theme of game. The game stories can be represented the everyday life that exists around or the imaginative situation using imaginary characters.
- (2) Game characters can be movie actress, young favorite musicians or local leaders, but not solely linked to ethical cases, corruption, or integrity which is happening in this country. The game should not be created for a negative campaign that can lead the resentment and reduce the widespread impact of the game. To spread the integrity values which have more impact, the game players should not be limited only for the partisan of one person but more people around the world.
- (3) The interesting collections for the game players can be several icons which are able to stimulate the player to do the good things as part of the values of integrity. However, these collections in the game should have the relation with the game story and do not seem to force to be inserted in the game.

- (4) RPG has a power in the communication between the game and player. The communication with the player is important as the power in providing answers or consequences of the actions taken by the player (Changqing & Xiaoming, 2010). Educator should smart to give the questions, next activities, and consequences in sharing the values of integrity. Those should be related to the game and does not merely related with the integrity values in order to instill those values as the spirit of game.



**Figure 2. Communication between game and player**

By bringing together the values of integrity into the game with an attractive scenario, people can learn the values without realizing it when they enjoy the thrill of the game. If the game is connected to the internet, then score of the game can be a stimulant to compete with other players around the world.

## 5. Conclusion

In order to inculcate the values of integrity into the game with the maximum result, the making of the game should not be left to the game developer only. Educator as a manager of educational content values of integrity should be a game developer who

delivers the values to the player in the maximum result. But the game development should not bother educators in delivering the educational contents. It needs a tool that can assist the educators in making the game easily. A variety of software can be used for this purpose; one of them is by using RPG Maker. With the software, educators can build a story about the integrity and let their students learn the values while playing the game. Each answer and choice can be directed to provide a closer illustration of the consequences that will be received by the players. The consequences of a positive response will make the players get more score, more game collections, and more access such maps, cards, or keys to the next challenges. If the players give negative responses, then the game score will be reduced, a particular collection will be failed to be obtained, or the access to continue the next stage will be cancelled. If the story built is quite interesting, the players do not only enjoy the game but also will compete with other players in doing good things via the game.

## 6. Acknowledgment

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# Information & Communications Technology (ICT) as an Integrity Tool for Managing Climate Change in the Philippines

Maria Divina Gracia Z. Roldan, Ph.D.

## Abstract

*ASEAN governments have recognized the role of information and communication technology (ICT) in disseminating information to the public, particularly in creating awareness to address the challenges of climate change in the region. The Internet, social media, and mobile technology are being used by government agencies and local government units for disaster preparedness and mitigation. Government websites are created to transmit relevant data for public use concerning climate change and disaster risk reduction and management. This manifests the values of integrity, accountability, and transparency which are marks of good governance and effective public administration.*

*The paper examines how social media and ICT serve as tools in addressing climate change issues especially in the preventive and remedial aspects of disaster management. An examination of the national and local government levels' policy framework on disaster risk reduction and management shall first be tackled using the Philippines as a case. Emphasis is on how ICT and social media help address community needs especially the vulnerable sectors in society during times of disaster.*

*Among the questions to be tackled in the paper are: (1) What laws and policies by the Philippine government serve as framework in addressing issues on climate change on the national and local levels? (2) How is effective disaster management in the local government level ensured with the use of ICT? (3) In what ways is integrity manifested in the process? (3) What gaps in using ICT in disaster management can be identified in reaching affected communities? How can these gaps be bridged?*

**Keywords: integrity, information & communication technology, climate change**

## 1. Introduction

The Philippines, is considered a vulnerable and disaster-prone country alongside other ASEAN countries such as, Indonesia and Vietnam. It is ranked the 3rd most disaster-prone country in the world, according to the World Disasters Report 2012, next to the Pacific Island states of Vanuatu and Tonga, respectively. Despite its vulnerability to natural calamities, it registered a high rating on adaptation measures. UN Secretary General for Disaster Risk Reduction Margareta Wahlstrom, in her visit to Manila in May 2012, noted that the Philippines is very well advanced on climate change adaptation with the best law on disaster risk reduction among ASEAN countries.

Since climate change has an impact not only in the Southeast Asian region, but throughout the world, the United Nations spearheaded an international strategy on disaster risk reduction, or UNISDR, that called for “safe schools, safe hospitals and safe cities” through capacity building programs.

The 2005 World Conference on Disaster Reduction paved the way for the Hyogo Framework of Action 2005-2015 which called for a systematic approach to reducing vulnerabilities and hazards among countries, building the resilience in nations and communities to disasters. It has identified five priorities for action: (a) ensure that disaster risk reduction is a national and local priority with strong institutional basis for implementation; (b) identify, assess and monitor disaster risks and enhance early warning; (c) use knowledge, innovation and education to build a culture of safety and resilience at all levels; (d) reduce the underlying risk factors; and (e) strengthen disaster preparedness for effective response at all levels. (Hyogo Framework, 2005).

Attendant to this is the recognition that information and communication technology (ICT) plays an important role in building national platforms and ICT infrastructure systems for disaster risk reduction and management.

It is in this light that this paper examines how ICT is used by national and local government units to effectively manage

climate change and disaster preparedness. Desk top research and documentary analysis of Philippine laws on ICT and climate change have been undertaken. Content analysis of national and local government websites were made focusing on local government websites of selected cities in the National Capital Region and in Albay province which were hardest hit during recent natural disasters.

In identifying the gaps in the use of ICT for managing climate change, social media tools used especially by civil society are examined. Insights are drawn from interaction with civil society actors whose advocacy is to address the needs of vulnerable sectors in the community level during times of calamities.

## **2. Policy framework in the Philippines**

The Climate Change Act of 2009 (Republic Act No. 9729) serves as the legal framework that mainstreams climate change governance in the Philippines. Through this law, all other climate change-related policies emanate. This law led to the creation of the Climate Change Commission, a central policy-making body, which developed the National Framework Strategy on Climate Change in 2010 and National Climate Change Action Plan in 2011. The Action Plan outlines seven priority areas; namely, food security; water sufficiency; ecosystem and environmental stability; human security; sustainable energy; climate-smart industries and services; and knowledge and capacity development. Vulnerable areas and sectors are also identified such as, women, children, and other marginalized groups. From a national framework strategy, local government units (LGUs) are enabled to develop and implement their own Local Climate Change Action Plans which are more tailor-fitted to local needs, challenges, and conditions.

The climate change initiative was reinforced with the adoption of the Philippine Disaster Risk Reduction and Management Act of 2010 (Republic Act 10121). The Act led to the creation of a National Disaster Risk Reduction and Management Council (NDRRMC), the Philippine government's main coordinating body, and a National



Disaster Risk Reduction and Management Plan in February 2012.

Both climate change adaptation and disaster risk reduction (DRR) are incorporated in the five-year Philippine Development Plan with President Benigno Aquino III issuing administrative orders to mainstream DRR in local development and land use planning.

Funding for these come from both national and local government sources. Republic Act 10121, otherwise known as the Philippine Disaster Risk Reduction and Management Act, mandates government agencies to allocate a portion of their annual budget to developing and implementing their climate change programs, as well as to provide technical and financial assistance for local climate change plans. The LGUs, in turn, are also expected to redirect a portion of their annual internal revenue allotment to general programming. This forms part of the Local Disaster Risk Reduction and Management Fund, the bulk of which comes from the national budget and the internal revenue allotment of LGUs.

Aside from this, government financial institutions are required to provide LGUs with preferential loan packages for climate change activities and to provide timely financial support for initiatives to manage disasters.

With regard to the ICT legal infrastructure in the Philippines, the E-Commerce Act of 2000 (Republic Act 8792) led to the public sector's absorptive capacity for electronic governance. It was enacted to protect the integrity of electronic documents and electronic signatures in the transmission of information, thereby building trust and reliance of the public on electronic transactions.

This law served as the foundation for the Government Information Systems Plan (GSIP) in 2004. The plan provides the framework for all government agencies to transact government business and perform government functions using electronic data messages or electronic documents. The GSIP envisioned an electronic bureaucracy which harnesses the potentials of ICT to promote transparency and accountability in government operations and transactions. As a result, national and local government websites have been developed to provide information to the public and to

allow for online government transactions.

### **3. Climate Change Governance through ICT**

The national agencies concerned with climate change and disaster risk reduction and management are the National Disaster Risk Reduction & Management Council (NDRRMC), the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAG-ASA), and Philippine Institute of Volcanology and Seismology (PHILVOCS). PAG-ASA and PHILVOCS are both under the Department of Science and Technology.

NDRRMC is the main policy and coordinating government agency responsible for ensuring the protection and welfare of the people during disasters and emergencies. The PAG-ASA, on the other hand, is tasked to provide scientific information and knowledge on natural calamities such as typhoons and cyclones, ensuring the safety, well-being and economic security of all the people. PHILVOCS's mission is to provide timely and quality information and services for warning, disaster preparedness, and mitigation through application of technologies to monitor and predict hazards prone to volcanic eruption, earthquakes, tsunamis, and other related hazards.

In examining the websites of these agencies, the features in the NDRRMC website is composed of advisory and updates, disaster incidents and archives, maps, and Facebook and Twitter icons for the public. In the PAG-ASA website, press releases, climate, weather, and floods forecasts are present. One can find a satellite imaging of the Philippine map and Facebook and Twitter icons for announcements and advisories through SMS. The PAG-ASA website also includes a citizen's charter which outlines the organization's vision, mission, performance pledges and feedback and redress mechanisms. The PHILVOCS website, for its part, contains bulletins on volcanic activity, earthquake and tsunami, a guide to individual and community preparedness, hazard maps, a citizen's charter, articles and announcements, and Facebook and Twitter icons.

#### 4. Selected LGU Websites

The cities of Manila, Marikina, and Pasig located in the National Capital Region and Bulacan in Central Luzon (Region III) and Naga in the Bicol Region (Region ) are among the LGUs that were severely affected by recent typhoons and tropical depressions particularly, Typhoon Ondoy or Ketsana in 2009, Typhoon Falcon in 2011, and Typhoons Habagat and Pablo in 2012.

Insofar as LGU websites are concerned, the following were noted:

*City of Manila (<http://www.manila.gov.ph/>)*

There is no specific disaster relief material found in the website, only press releases were found addressing disaster issues, such as, the restoration of the Manila Bay sea wall and recognizing the citizens which did heroic deeds during typhoons Pedring and Quiel as well as various relief operations done by the city government of Manila.

A weather forecast application is present with a direct link to <http://www.pagasa.dost.gov.ph/wb/wbfcst.html>. A very detailed directory of all barangays, hospitals, and fire stations is present.

*Marikina City (<http://marikina.gov.ph>)*

Marikina city is a flood-prone area as the Marikina river overflows everytime a strong typhoon occurs. Its website shows a live rainfall monitoring system, a live water level monitoring system and an application which tracks the weather and the position of the storm. It also has a link to the Japanese Meteorological Society, from where they get their live feeds as well as a satellite imagery. There is also an application which provides an interactive map of the city and a Yahoo! pingbox used for live help.

*Pasig City (<http://pasigcity.gov.ph>)*

The website shows a "Disaster Week" project, an awareness week with different competitions, including a rescue boat race, disaster preparedness training, a fire combat and rescue

competition, and a typhoon readiness-themed poster making contest for high school students. A public forum is also up on the website.

*Bulacan (<http://bulacan.gov.ph>)*

Bulacan's website has a direct link to its Provincial Disaster Risk Reduction Management center. In this link can be found, the status of tides, observed rainfall, winds speeds and directions, the status of their dams, temperatures, river, and flooding situations. Their rationale for creating such a website is for their citizens to become more aware and pro active during flooding. This was created by the Bulacan provincial disaster risk reduction and management team with the guidance of PAG-ASA (<http://www.bulacan.gov.ph/pdcc/>).

*Naga (<http://naga.gov.ph>)*

Weather forecast is available on the website The website also shows the local government's connection with telecommunication companies (SMART, BayanTel, Sun Cellular) providing hotlines for the fire department and hospitals in cases of emergency. There is a link to typhoon.com, the Philippines' first website on tropical cyclones for monitoring purposes.

## **5. Integrity through ICT**

Integrity through ICT can be assessed using transparency and accountability, competence, ethicality, and corruption control as indicators.

ICT serves as a tool to promote integrity in this case as seen in the provision of timely and relevant information to the public by concerned national governments such as the NDRRMC, PAG-ASA, and PHILVOCS through their websites. This also holds true to some LGUs who have incorporated disaster-related material in their websites for their constituencies.

The Anti-Red Tape Act of 2007 (Republic Act 9485) was instrumental in promoting integrity as an anti-corruption prevention measure intended for frontline services to avoid red tape that

induces graft and corruption. The law applies to all government offices including LGUs to draw up a Citizen's Charter which identifies the frontline services offered, time allotment, step-by-step procedures, government people responsible, and the amount of fees and charges. The law requires government offices to review and streamline their transaction systems and procedures to make it faster and easier for their clients.

In the websites of PAG-ASA and PHILVOCS, a Citizen's Charter is placed indicating their performance pledges and feedback and redress mechanisms. Even a Transparency seal is shown particularly in the PHILVOCS website, which embodies upholding the principles of competence and accountability for their services to the public. Included in the PHILVOCS Citizen's Charter is a portion on maintaining decorum and professionalism in dealing with citizens thereby promoting high ethical standards in public service.

## **6. Issues on ICT and Climate Change Governance in the Philippines**

Despite ICT as a mechanism to instill integrity in climate change governance in the Philippines, there are attendant issues which need to be examined.

Some LGUs which use ICT have been proactive on climate change and DRRM in instilling awareness and preparedness among its constituents as seen in the content of their websites, while others have yet to do so. Website content shows what the LGUs priorities are and the availability of manpower and financial resources for website construction and maintenance which is challenging to LGUs with less funds.

Another major issue is that of digital divide. While the Philippines has an internet penetration rate of 29.2% and mobile subscription has reached 80% of the population of over 104 million in 2011, it does not guarantee that people in low-income rural communities and vulnerable sectors such as women, children and the disabled are able to access climate change and disaster-related information

through the internet and mobile phone. Low-income groups in rural areas and even some segments of the urban poor are among those who are technologically excluded.

How can the use of ICT in climate change and disaster management reach sectors that are most vulnerable? There may be a need to consider traditional tools to disseminate significant information on disaster relief such as word-of-mouth, and community billboards, given that most vulnerable groups do not have access to computers and the internet. Mobile phones may be a potential information and communication device with the high mobile penetration in the Philippines and affordability of simple handsets.

This is a gap where civil society and community-based groups can fill. Through community-based activities and the use of social media, these initiatives from non-government sectors mobilize resources for rescue and relief especially for vulnerable groups.

An example of this is #RescuePh created by Ros Juan and friends Tonyo Cruz and JP Loh at the height of the 8-day Habagat (monsoon) flooding in August 2012 which left 95 people dead, 8,428 homes destroyed, and losses throughout the country amounting to at least ₱604.63 million (US\$14.31 million). #RescuePH is a database which trended on Twitter, where anyone can report or ask for help or rescue victims of massive floods in Metro Manila and some parts of Luzon in the Philippines. Reporters filled up a #RescuePH form with details about names and addresses of persons in need of rescue, specific information about the flood victims (elderly, children, persons with disabilities or special needs), reporter's name or Twitter @username, and updates on the situation in affected areas. (Neubauer, 2007). This became a nationwide system which was endorsed by the Philippine Office of the President.

Another civil society initiative is that of a bloggers group composed of overseas Filipino workers in South Korea called Pinoy Expats/OFW Awards Inc. (PEBA) led by Netizen Pete Rahon as Manila-Luzon Coordinator.

PEBA started SK-FILCOMS Emergency Preparedness <https://>

[www.facebook.com/groups/skfilcomeprepared/](https://www.facebook.com/groups/skfilcomeprepared/) which serves as a platform that provides notices and updates blogger-members gather from social media. They post requests for help and updates they cull from reliable media sources and friends such as, photos of calamities. Calls for donation, request for blood and medical assistance are also shared on its fan page. At their blog event in December 2012, they passed around a donation box to help victims of Typhoon Pablo in Compostela Valley in Mindanao that year. Regular monitoring of weather conditions are posted on Facebook account <https://www.facebook.com/ksweather?fref=ts>.

## **7. Conclusion**

The Philippines has a well-established policy framework that enables government to address climate change and disaster management through ICT. There is coherence in the mandate for both national agencies and local government units to prioritize programs related to climate change and disaster adaptation.

ICT is a mechanism to instill integrity in this regard. While it promotes transparency, accountability, professionalism and competence in public service, it has to run parallel with other mechanisms to ensure efficient and effective service delivery especially to vulnerable communities which are digitally and technologically excluded.

Social media and social networking sites such as Facebook and Twitter have become channels for information dissemination and coordination in matters concerning natural disasters. The national agencies' and LGU websites cited here have Facebook and Twitter accounts that the public can use for queries and news advisory.

With the existence of digital divide, government ICT platforms that do not reach vulnerable sectors may be supplemented by civil society initiatives using social media. This serves as alternative to ensuring that information on climate change and disaster management are made available to the public. It also links relief efforts both from government and civil society to reach intended

beneficiaries; thereby making climate change governance in the Philippines more inclusive, responsive and dynamic.

\*Data on LGU websites were obtained from the work done by G. Labares for the Research Program Workshop on Disaster Risk Reduction and Management, De La Salle University, 2011.

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INTEGRITY AND ETHICAL ISSUES IN MEDIA:  
COMMUNICATION MEDIA FOR EDUCATION

# The Future of Asean Integrity and Education Aims In a Digital Age: Pedagogical In The Age of New Media

Siti Nur Aisyiyah

## Abstract

*Since, the world faced a crisis of integrity globally, Asean countries faced the same situation in many sectors. Consequently, the integrity crisis was also the responsibility of the education purpose in the digital revolution era. It followed the implication of pedagogical approach in the era of new media that included the idea of integrity which was integrated in education competencies of its graduates.*

*Given the meaning of the integrity concept and pedagogy was still a debate among researchers and thinkers from different disciplines. This condition was a challenge and an opportunity for researchers, thinkers and educators from the ASEAN region to formulate an understanding of the integrity concepts and pedagogy which was relevant to the heritage characteristics of education, culture and spirit of Asean nations.*

*In this paper, author used reasonable believe methodology as an approach that has proven critical thinking as a subject and method with long history. This approach required researchers had science, knowledge, educational background, skills and experience were a strong theme that would be examined.*

*To reinforce the message, and a statement of the research theme, so the author was sharing practical experiences, for pedagogical approaches in a new media age for educators with benefits for Asean society and Asean Integrity. The results of research emphasized the message of higher education with the education aims which was oriented on education competencies that have awareness of the values and integrity principles would contribute to the acceleration of the development and integrity of the individual and society. Consequently awareness of the meaning of individual integrity would strengthen the integrity and the integrity of the national society, which in turn would support the hopes and dreams for the future of Asean integrity for integration. This is the enlightenment.*

*Several Recommendations are made to help raising awareness, understanding and sustainability of the acceleration of the development of the concept of ASEAN educating societies for integrity: the role of educators and students in building integrity.*

**Key words:** *Integrity, education, digital age, pedagogical, communication, new media, The Future of Asean Integrity*

## 1. Introduction

*Imam Ali ibn Abu Talib RA (559-661):*

*"Teach your children things you did not learn when you were in their age for they have been created for a time that is different from yours."*

*(Ali ibn Abu Talib-Islamic-the Commander of the Faithful). (online)*

*Jhon Dewey (1859-1952)*

*If we teach today's students as we did yesterday's,  
we are robbing them of tomorrow*

*(Jhon Dewey was an American philosopher, psychologist and educational reformer whose ideas have been influential in education and social reform)  
(online)*

*Ki Hajar Dewantara (1889-1959):*

*Ki Hadjar Dewantara is the Founding Father of Indonesia National Education with his well known statements tringa, which are ngeriti (cognitive domain), ngerasani (affective domain), and ngelakoni (psychomotor domain).*

*The statements were given twenty years before Blomm's Taxonomy (cognitive, affective and psychomotor) (Miarso, 2004).*

*Other Dewantara's famous statements are:*

*niteni (to identify), niroake (to copy), and nambai (to modify or to add)  
which can be correlated with Bloom's Taxonomy.*

*(Ki Hajar Dewantara: 1st Minister of National Education of the Republic of Indonesia, he was a pioneer in the field of education in Indonesia) (online)*

The world is now facing difficult times so that the issue of the integrity crisis in all elements and all sectors has become a global issue; it becomes a paradox trend called "Global Integrity Crisis".

On the other hand, the future of Asean Integrity with durability is a hope for stability in the region from many perspectives, but it is not possible to achieve this expectation if every country in the Asean region has integrity crisis problem in their community in various sectors.

The issue of integrity problem is also related to the individual crisis, community leadership and the meanings of some ideology that has been deemed failed to create justice. On the other hand the religious spirit in each individual have been corrupted by the fall in value of faith, morals, educational purposes and it does not have the leadership character further to supports the policies integrity crisis in different systems in the nation and state.

All the crisis of integrity in the joints of our lives have also been forced to communicate with the digital revolution agenda and new media paradox to interact, mutually evaluate, adapt and mutually contribute to each other, including education and it's pedagogical.

Effort to synchronize the idea of integrity in pedagogical approaches in the new media era for learning outcomes, teaching and attainment of educational goals that support the understanding of individual integrity awareness for the power integrity of the community, the nation and the country, have also been carried out by the authors through a series of learning, experiments , observation, exploration, discovery, implementation, creativity and innovation since 1992, at the Jakarta Institute of Arts, Akomm RTVI Global Media, Mercubuana University and several other educational institutions as well as portfolio.

The important thing to note is, all of these efforts is the implementation of ideas and wise sentence meaning (Quotes) Imam Ali ibn Abu Talib RA, John Dewey and Kihajar Dewantara. Their wise sentences are the history testimony of science and science education goals and integrity that evolved from each generation to the next. Now, Asia networking audiovisual has reached hundreds of links and growing into a thousand circles learn together about the meaning of integrity in the ideas and work.

That is why, the author arrives at an understanding achievement, knowledge and experience that, since, the world is faced with a crisis of integrity globally including in Asean countries in many sectors. Consequently, the integrity of crisis is also the responsibility of education purpose in the era of digital revolution. It follows the implication of pedagogical approach in the era of new media that includes the idea of integrity which is integrated in education competencies in its graduate

## **2. Literature Review**

### **2.1. In Search of Integrity**

Jokilehto (2006) in his research entitled "Considerations on

Authenticity and Integrity in World Heritage Context”, concludes that there is still need for critical assessment based on research and the discovery of documentary evidence to understand the meaning of integrity that is associated with quality and cultural values: “Critical judgement is required based on research and documentary evidence to decide about the quality, integrity and values of the cultural responses represented.”(online)

The conclusion of Jokilehto research strengthens long polemic that took place between thinkers and researchers, who questioned the definition, meaning and concept of integrity and implementation of various scholarly perspectives.

## 2.2. Global Integrity Crisis

Dowd (2009) who have gained recognition promotion of five Nobel Prize-winning scientists on his program concept that describes “Global Integrity Crisis” describes the worldview of crisis global integrity sceptically:

*“From **crumbling economies** to collapsing ecosystems, humanity is experiencing an unprecedented **global integrity crisis.**” (Online)*

## 2.3. The Aims for Education are Questionable

Whitehead (1916) describes his views on the concept of education related to delivery approach pedagogy in “The Aims of Education” that:

*“Education is the acquisition of the art of the utilization of knowledge. This is an art very difficult to impart.” (online:16)*

Whitehead argues that educational goals related to understanding, “the art and science of education require a genius and a study of their own.” His view is related to the appreciation of the facts in each individual’s experience in understanding the purpose of education.

*“My point in this respect is that fragmentary individual*

*experiences are all that we know, and that all speculation must start from these disjecta membra as its sole datum.” (online: 165)*

Kumar.S (2007) through his research, entitled “Meaning, Aims and Process of Education” found that the definitions of education of great educators of the East and the West, has the nature and meaning for each of them.

*“If we mention certain definitions of education of great educators of the East and the West, we may have a clear picture of the nature and meaning of the term education.” (online:1)*

After understanding the various definitions of education, they come to a conclusion that:

*“True Definition of Education: The different meanings and definitions of education as given above lead us to the conclusion that education should have a comprehensive definition.” (online:3)*

#### **2.4. In Search of Pedagogical Meaning and Approach**

Geraldine, Holmes, Cooper, M., A. (2000) is explaining debates and polemics among thinkers and researchers about the meaning and pedagogy terminology which is associated to the meaning of meaning classification.

*“Pedagogy versus Andragogy: The Debate. Resolutions or Alternatives? Many theorists believe the andragogy-pedagogy classification is not perfect, but they cannot agree on a viable alternative either.”(online)*

On the other hand, Rubin, CM (2012) reported on the views of Dr. Pak Tee Ng from Singapore, on education in the 21st century in “The Global Search for Education: More From Singapore”. He argued that the student’s motivation to learn is a challenge in the education system and there is no standard or best practice way to overcome this challenge, and required “inspired teachers” to address this challenge.

*“Student motivation in learning is a challenge in many education systems, including Singapore’s. We do not have a standardized*



*way or a best practice of addressing this challenge. But I often ask educators to reflect: "How do we expect inspired learners if we do not have inspired teachers?" I think our key strategy to engage students in learning is to have good teachers, those who understand their students, tailor teaching strategies according to their students' profile, and make lessons interesting." (Online)*

## **2.5. Pedagogical in the New Media Age**

Pedagogy methods by utilizing the internet content material with a variety of topics can motivate the learning process filled with the spirit of exploring. Empowering new media as part of the implementation of concept, that is "living and learning with new media" and "new media content creator", can be a tool that can be directed pedagogy method to produce a new generation with a unique genius competency of Stevens (1974:132-133) :

*"The genius is uniquely attuned to the multiple associations in the fringes of the object of his thought. The topic of thought immediately suggests a wide variety of fascinating associations and interesting conclusions. This is why the genius is the man least likely to make the effort of voluntary attention to such uninteresting details as engagements to be kept and letters to be answered. Therefore, the successful pedagogue will induce his students to acquire the habit of constant and spontaneous exploration of the multiple horizons which spread out about any topic of thought."*

## **3. Methodology**

*John Le Carre (1931)*

*"Reason is logic, or reason is motive, or reason is a way of life."*

*(Kahane 2006:1)*

The study utilizes a reasonable approach believe. Critical thinking approach has been tested as a subject and method with travelling long history. Reasonable believe approach is the concept and the closest way to interpret the issues and events that occur in everyday practice model, Munson, Ronald. & Black, Andrew.

(2007:1).

*“Reasoning is an ancient subject but an everyday practise. These tools are the principles, distinctions, and methods that have been developed by generations of philosophers, logicians, essayists, scientists, critics, and thinkers of all kinds.”*

A “reasonable believe” approach is a set of intellectual tools to employ in the rational process of reading, thinking, learning, understanding, analyzing, defending, supporting and Evaluating claims.

Munson,Ronald, & Black, Andrew. (2007:194). this approach requires researchers have knowledge, educational background, skills and experience which are strong on the theme they examined.

Method approach “reasonable believe” also emphasizes the importance about how to reason well in everyday life, Kahane (2006:1):

*“There is much truth to the old saying that life is just one problem after another. That’s why problem solving is one of life’s major preoccupations. Reasoning is the essential ingredients in problem solving.”*

#### **4. Research Result**

Integrity crisis has become a serious global talk ahead of the era in 2000, in subsequent years, reports of studies in several countries such as America, Europe, Asia, Africa, and the Middle explaining the growing crisis of integrity in society and in all aspects of life in the state and nation.

Giving the awareness of the meaning of integrity understands the results obtained from the knowledge of science and faith, the integrity issue is also the responsibility of education world. For that purpose, the purpose of education, especially at the level of higher education, a pedagogy approach is relevant and integrity-oriented learning in education competency which is expected to anticipate the challenges of integrity issues, particularly in the era of digital revolution and education in the 21st century.

The purpose of education in digital revolution era through pedagogical approaches that take advantage of new media is a powerful tool to embed, create and reinforce concepts, principles and sense of integrity, then higher education plays a great role in introducing integrity education.

On the other hand, to understand reality and fact that the research results and ideas from a variety of perspectives has made it clear that the concept of integrity and pedagogy is still being debated and criticized by the researchers, educators and thinkers from different disciplines, as well as open to be reinterpreted. This condition is a challenge and an opportunity for researchers, thinkers and educators from the ASEAN region to formulate an understanding of the concepts of integrity and pedagogy which is relevant and rooted from heritage characteristics of education, culture and spirit of Asean nations.

## **5. Experiences: Pedagogical Simulation with Integrity Learning**

The author shares his experiences in implementing pedagogical inspired by the idea of meaning of integrity and purpose of education in moral and spiritual story behind the story of religious, national educational heritage story to the story of everyday life. Given the author realized that the problem is a matter of knowledge that integrity is the responsibility of education. That is why; the author considers that the aims of education are the education competencies containing integrated idea of integrity in the competency of its graduates.

The author makes use of audio-visual media and the power of new media paradox as part of the creative process of ongoing "learning-teaching-learning" to teach the students the meaning of integrity. Through the process of thinking to produce an idea and work, students learn to "to initiating, exploring ideas, learning by doing, understanding, analyzing, creating, Evaluating, and defending." Their projects join us as their first learning integrity. The

simulation is part of an individual and team member. Identity and Personal Integrity aims and aims of education as oriented towards society.

Their identity codes in the learning network which author called it Asia audiovisual. The word "ASIA" is as an acronym of the words authorship, screening, ideas and analysis. This acronym contains learning individual integrity, team work and the significance of their work for the community and the nation.

Furthermore, the idea of online education pedagogical Asia audiovisual is directed to joint public and can be applied or applied to scope of any subjects.

Evaluation of the pedagogical approach has gained recognition from the institution where the author teaches, so for some period gets the evaluation as one of the best lecturers in the achievement of learning evaluation. On the other hand, the support of the graduates testimony delivered in person, email, short message, and also via online media, has made it clear that they are aware of the characters and their personalities determined by an understanding of the science-based understanding of the concepts of integrity.

### **5.1. Education Aims and Education Competencies with Integrity Awareness**

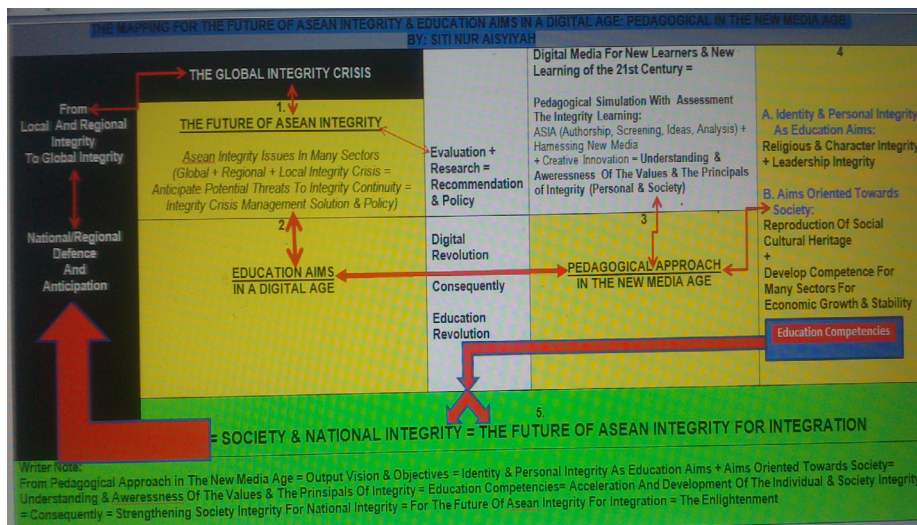
The key issues for education aims in a digital age and pedagogical in the new media age are to develop and value the integrity concepts inside student characters as part of education competencies with integrity awareness

The point of all of this is understanding and awareness on integrity in many sectors need supporting from quality of education aims in the age of digital revolution. By using relevant strategic pedagogical approach in the age of new media, it follows that educator can be designed their pedagogy approach as a entry point in the implementation of the integrity learning for their students, because the earliest success awareness of integrity principles and values inside of mind and soul of the next Asean generation (The next leadership) is part of the most important factor for the

strengthening Asean society integrity and the future of Asean integrity for integration.

## 5.2. The Mapping For The Future Of Asean Integrity & Education Aims In A Digital Age: Pedagogical In The New Media Age

Here is a brief overview to understand the message of the purpose of research paper, and the author is open for sharing and helpful suggestions for further development.



## 6. Conclusion

Understanding and approach to interpret the integrity concept and pedagogy is still a debate among researchers and thinkers from different disciplines. This condition is a challenge and an opportunity for researchers, thinkers and educators from the ASEAN region to formulate an understanding of integrity concepts and pedagogy which is relevant and rooted from heritage characteristics of education, culture and spirit of Asean nations.

The realization that education purpose in the era of digital revolution through pedagogical approaches that take advantage of new media, is a powerful tool to embed, create and reinforce concepts, principles and sense of integrity, then higher education plays a great role in introducing integrity education.

Since, the world is faced with a crisis of integrity globally including in Asean countries in many sectors. Consequently, the integrity of the crisis is also the responsibility of the purpose of education in the era of digital revolution. It follows the implication of pedagogical approach in the era of new media that includes the idea of integrity which is integrated in education competencies of its graduates.

Education aims are related to education competencies of the graduates who understand and have awareness of the values and principles of integrity will contribute to the acceleration of the development and integrity of individual and society, the consequences will strength the integrity and the integrity of national society, which will support the hopes and dreams for the future of integrity for Asean integration. This is the enlightenment.

## **7. Research and Policy Recommendations:**

The author support the achievements, the objective of the purposed Asean educating societies for integrity by suggesting some research and policy recommendations for positively provide better impact to ASEAN Integrity for Integration:

- (1) Given the crisis of integrity has become a global crisis in the era of digital revolution, it would require a comprehensive research to find out and understand the various sectors integrity problems associated with the phenomenon of educational revolution in the era of digital revolution. This research will guide policy in the educational approach and integrity in higher education for Asean people.
- (2) Given an understanding of the concepts and theories of pedagogy is still limited, it becomes an opportunity for Asean for pioneering educators in understanding and pedagogy concepts which is relevant with the history of educational characteristics of nations in the ASEAN region.
- (3) Anticipate, formulate, sustainable strategic plan as a guide, policy which is relevant with the challenges of digital education



revolution and revolution in all sectors related to integrity issues, improving the quality of educators, and educational goals for a future with a strong integrated Asean.

- (4) Conducting educational scholarships, trainings, seminars, publishes books, socializing campaigns with themes related to the articulation of integrity, purpose of education and pedagogy in the era of digital revolution.

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## 9. Appendices:

The author shares her experiences regarding the results of pedagogical approaches that have been applied in the era of new media for higher education with education aims which is oriented to education competency which contains sense of integrity meaning in creating ideas and works.



Here are a few site links from a student project. They start exploring ideas, they learn, do, understand, analyze, create, evaluate, and defend their project to be like first learning integrity and simulation as individuals and team members.

<http://www.youtube.com/asiaavi>

<http://www.youtube.com/asiaavira09matanesia>

<http://www.youtube.com/asiaavira10gladiator>

<http://www.youtube.com/asiaavirb11soulidea>

<http://www.youtube.com/asiaavirb11sheincoma>

<http://www.youtube.com/asiaaviRc11Megafy>

<http://www.youtube.com/asiarbranovsiska1>

<http://www.youtube.com/asiarareynaldoyosc4r>

<http://asiarareynaldoyoscar.wordpress.com/video>

# ToT for Preventing Maladjustment in Education

A Case Study conducted for Elementary Teachers Association in Wirobrajan District, Yogyakarta

Hermayawati

## Abstract

*In line with the efforts of ASEAN countries governments to fight against corruption and Indonesia government to improve education quality, this paper aims to describe one of the ways to prevent maladjustment in Education. Corruption (dishonest or wicked behavior) is not always related to monetary-abuse but also occurs in education, i.e. in the form of teachers' maladjustment mostly occurs in elementary education. This attracts to discuss for it may appear domino effects in mankind's life through the low outcomes' quality.*

*This was a case study participated by 15 teachers and 15 principals around Wirobrajan District, Yogyakarta in the form of training of trainers (ToT) connected with their jobs'qualifications. This training was held once a week for twelve meetings. It aimed to improve teachers' competences in the following terms: (1) developing syllabuses based on the current curriculum (School-based curriculum); (2) developing/adapting teaching materials; and (3) designing research proposals and/or research' reports to avoid teaching's maladjustment which may affect to the future's education quality by considering lower than many other ASEAN developing countries. The procedures used were Yin's taxonomy as follows: (1) exploratory (a pilot study); (2) descriptive/narrative; and (3) explanatory.*

*The ToT resulted as follows: (1) understanding of teachers needs on how to develop syllabuses, teaching materials and conduct researches; (2) improving both conceptual and practical new insights in conducting teachers' professional jobs; and (3) enabling teachers to conduct researches particularly by using CAR (Classroom Action Research).*

**Keywords:** CAR, case study, maladjustment, corruption, professional

## 1. Introduction

This paper is addressed to the stakeholders of education, particularly for teachers and/or candidate teachers (higher education students). It is performed for the sake of taking a part in the efforts of : (1) Indonesia Integrity Education Network (IIEEN) interest to fight against corruption and to promote human resource quality through Indonesia Directorate of Higher Education under the Ministry of Education and Culture programs; (2) ASEAN member countries whom interest to search for effective ways of minimizing corruption in the region in order to prosper; (3) corruption prevention in the field of education by conducting POACE (planning, organizing, actuating, controlling and evaluating) intensively towards education implementation for the sake of keeping the quality of the students' learning process that affects to the outputs' quality and to enable them to compete in the international job markets to gain their prosperity.

In relation with the terms written above, and as it is said that education is considered as the central of corruption prevention, while education starts from teachers who should be good models for their learners and surroundings they must not do corruption at any ways. It includes in conducting their professional duties by considering that corruption (dishonest or wicked behavior) is not always related to "money manipulation". Ironically, research findings show that most teachers do not conduct their duties professionally e.g. by not preparing their administrative teaching instruments by themselves such as: syllabuses, lesson plans, teaching and evaluation materials which must normatively meet with the learners' needs (Hermayawati, 20010, 2011). This may impact to the outputs' quality. Indeed, contrary to the IIEEN and ASEAN Socio-cultural Community (ASCC) aims to address the region's aspiration to improve the quality of live in ASEAN countries. Such problems are considered as maladministration of teaching.

It is written above that corruption is not always related to monetary-abuse but also occurs in education, i.e. in the form of teacher's maladjustment mostly occur in the field of elementary

education. Maladjustment means inability of a person to adapt to the demands of a social environment and behave in an acceptable way (Hornby, 1995: 710). In this case, maladjustment is connected with teachers habits in copying their administrative teaching tools (such as: syllabuses, lesson plans, teaching materials and even test materials) from others without considering the learning goals and learners' needs. Meanwhile, they have to normatively create their own tools, for any of the teaching's administration must be normatively matched with their own learners' needs and backgrounds. Unfortunately, they have unconsciously taken such habits for granted. In other words, it is assumed that copying other's teaching tools is true. This attracts to discuss for this unprofessional habits may appear domino effects in mankind's life through the low education outcomes' quality. It is not in line with the ideal demanded within the vision of national education policy.

The national education contains vision to realize educational system as strong and authorized social rules to empower the entire Indonesian citizen to be qualified people to face the changeable global era progressively. Such defined vision contains the following missions: (1) to provide the fairness opportunity to obtain qualified education for Indonesian people as whole; (2) to support and facilitate Indonesian people's capacity development completely, starting from their early childhood until the end of their lives for the sake of realizing learning society; (3) to increase readiness of inputs and educational process quality to optimize individual character building; (4) to improve both professionalism and accountability of education institutions as the cultivation's centre of knowledge, skills, experiences, attitudes and values both nationally and globally; and (5) to empower the roles of society in holding education based on autonomy principles within the context of Unitary State of Republic Indonesia (*Negara Kesatuan RI*).

This study was conducted to support the regional government in improving teachers' quality by enabling them to do their jobs professionally. It was also in line with the predicate of Yogyakarta as a

Students' City and its vision and missions that must be implemented by all elements including teachers. The missions are among others: to focus education quality as the basis of cultures and tourism developments, to realize people's welfare and to minimize poverty. It can be realized by empowering elementary teachers association which is called *Kelompok Kerja Guru* or KKG in short.

Hence, the government efforts to improve human resources' quality through teachers' professionalism improvement, especially elementary teachers must be handled intensively. This is also mandated within the Law No. 14 year 2005 on Teachers and Lecturers (LTL) especially at article 8, 9, and 10 as items which must be implemented by any level of teachers. Ironically, most teachers and trainers complained that they were rarely involved in teachers professional training which must be the regional's responsibility as the authorized decentralization policy.

The less-professional teachers existence may affect unemployment, since such condition may produce low quality outcomes and cause them not to have competitive bargaining position. The weaker bargaining position of a community, the higher accumulatively unemployment will be. Such condition may affect various problems in the people's life. Theoretically, unemployment is an unbalanced condition between the number of unemployed people and the available limited jobs' vacancy. The provision of job's vacancy is commonly influenced by job's market condition while job's market condition is affected by the existence of supply and demand towards man-power. The followings are three aspects which may influence the provision of job's market.

**First**, distortion (the less-optimality) of information on manpower. The less optimality information on manpower's shortage may cause the existence of unemployment. If such informations are accurately provided, both job seekers and manpower users will be matched sothat market will be in equilibrium (zero unemployment) condition. But in facts, manpower informations are commonly known manually, i.e from man-to-man words or through mass media. Meanwhile, the government interference policy in

providing informations has big effects to minimize the number of unemployment.

**Second**, the unbalance between demand and supply. This condition may occur when the number of job seekers are higher than the needs on manpower. This is caused by population growth and jobs' lifting growth influenced by population growth and the growth of entrepreneurship stimulated by the existence of provided opportunities and condusive atmosphere. Quality distortion exists when the qualified human resources needed by the users cannot fulfill by the job seekers. There are several aspects which may affect to the quality of manpower, i.e. education quality,, skill and technology. The kind and level of technology capacity literated by an entrepreneurship may affect the quality of the needed manpower (<http://www.jogjakota.go.id>).

The issues written above stimulate the following problem's identification: (1) teachers must support their regional vision dan missions as an effort to reach welfare and prosperity through teachers' professionalism improvement by improving their working ethos, organized by the KKG situated at Education Technical Implementation Unit (*Unit Pelaksana Teknis Pendidikan Kecamatan*); (2) the efforts in improving teachers quality was conducted through training of trainers (ToT) included in curriculum's development (School-based Curriculum/SBC), choosing and/or developing teaching materials normatively and conducting Classroom Action Research (CAR).

The ToT Program was conducted for the previous research findings showed that most elementary teachers were not able to implement their professional jobs (Hermayawati, 2010, 2011). Meanwhile, such kind of qualifications are suggested within the Law No. 14 year 2005 on Teachers and Lecturers (LTL) and must be, ofcourse, implemented by all teachers. In this case, ToT was held based on the appeared phenomena in the research setting and the participants' agreement.

The most crucial issues needed to handle were ToT in the following terms: (1) developing School Based Curriculum (SBC); (2)

providing conceptual teaching materials or needs analysis based materials; (3) designing normative test; and (4) designing CAR proposal and/or reports. To fulfill the above needs, this study aimed at empowering elementary teachers to: develop SBC, provide their own teaching and test materials, and conduct CAR.

## 2. Literature Review

This study was conducted by referring both relevant concepts and the previous relevant researchs. The relevant concepts particularly concern with: teacher 's teaching administration, teachers' maladjustment (mostly occur in elementary education), training of trainers (ToT), and Elementary Teachers Association in Wirobrajan District, Yogyakarta.

The writer's previous relevant research entitled "Developing English Training Materials Using Functional Approach ( A Research and Development conducted at PJTKI Jakarta)", among others, implied that English trainers currently taught in PJTKI Jakarta did not fulfill the suggested criteria of becoming professional teachers. PJTKI (*Pengerah Jasa Tenaga Kerja Indonesia* ) is now known as PPTKIS which stands for *Pelaksana Penempatan Tenaga Kerja Swasta* (Anonym, 2007). It is a legalized board which is authorized to conduct both recruitments and placements of migrant domestic workers abroads (Presiden RI, 2004: 8).

The research found that most English (also other foreign languages) trainers who worked for PJTKI were not the graduates of English study program so that factually they were unable both to teach and to provide training materials conceptually. In facts they just taught less-complete language components and did not teach language skills. Besides they were also unable to provide needs analysis- based materials for their trainees (Hermayawati, 2008). That was the reasons why the Indonesian migrant domestic workers (TKI) were less-competitive compared with other developing countries (Depnakertrans RI, 2000:ii).

The less-professional teachers were also available in elementary

and secondary schools. Most elementary teachers particularly available in Education Technical Executive Unit (*Unit Pelaksana Teknis Pendidikan/UPTP*) Moyudan Sleman Yogyakarta were also unable to conduct their jobs professionally as they could not provide teachers' administrations as written above (Hermayawati, 2010; 2011). Even upper schools teachers could not also provide conceptual materials that really matched with needs analysis including the regional needs. Most English teaching materials they used, did not provide discourses about regional culture and tourism terms for the sake of keeping the regional image and heritage conservation (Hermayawati, 2006). Meanwhile, good teaching materials must conceptually access both learners and regional needs analysis (Richards, 2001; Hutchinson & Waters, 1994; Cunningsworth, 1995).

The phenomenon written above is becoming worse by the lack of regional relevant stakeholders concerns in providing functional human resources who must do their duties professionally. This fact is shown, for instance, by the improvising of ToT and the guide books for tourist guides particularly for foreigners services (Hermayawati, 2011) so that the 'tourism actors' such as tourist guides, traditional vehicles drivers and hawkers cannot work professionally. It seems that tourism program runs haphazardly or without systematic planning.

### **3. Methodology**

Based on the existed issues in the research setting, the writer used a case study method. A case study is a method to identify and analyze data related to the appeared issues (Sukmadinata, 2007: 77). In line with Gall *et al.*, (2003: 436) that A case study is the in-depth study of instances of a phenomenon in its natural context and from the perspective of the participants involved in the phenomenon.

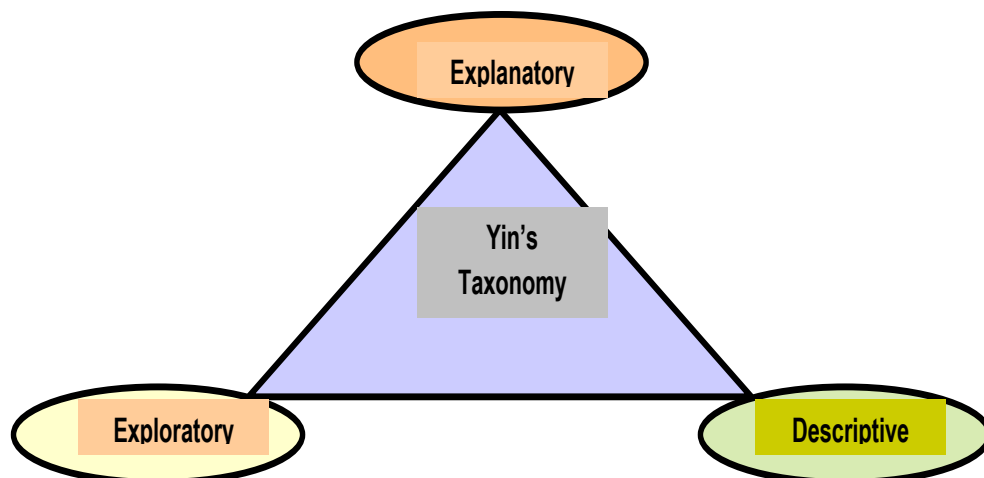
Nisbett and Watt (see Cohen *et al.*, 2000: 181) stated that a case study is a specific instance that is frequently designed to illustrate a more general principle. In this matter, the 'case' was in the form of teacher's needs professional trainings that might empower them



to work professionally as demanded by the Law No. 14 year 2005 on Teachers and Lecturers (LTL). This case study was participated by 15 teachers and 15 principals around Wirobrajan District, Yogyakarta in the form of training of trainers (ToT) connected with their jobs' qualifications.

The ToT was held once a week for twelve meetings. It aimed to improve teachers' competences in the following terms: (1) developing syllabuses based on the current curriculum (School-based curriculum); (2) developing/adapting teaching materials; and (3) designing research proposals and/or research' reports to avoid teaching's maladministration which may affect to the future's education quality. Related to the education quality in Indonesia, it is known that is relatively terrible.

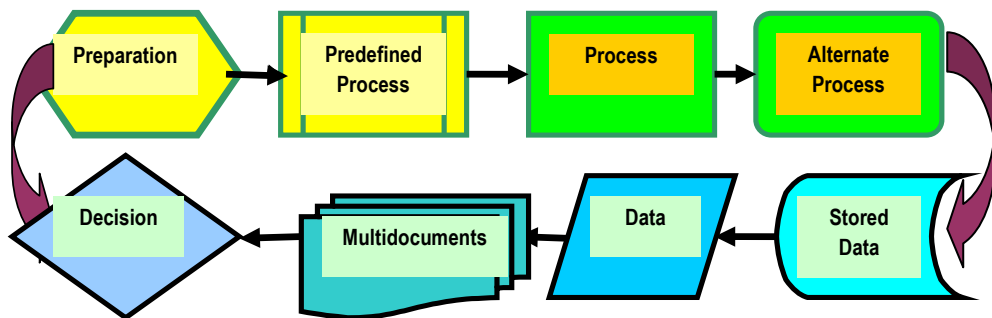
UNESCO's data in the year 2000 on Human Development Index showed that in 1999 has placed Indonesia at the 109 rank amongst 174 countries. While based on Political and Economic Risk Consultant (PERC) survey, Indonesia was placed at the 12th rank amongst 12 Asian countries, where the position was under Vietnam (kompasiana.com/2012). By participating the ToT, teachers are expected to be able to improve education quality in the future.



**Figure 1. Yin's Taxonomic Procedures in Case Study**  
(in McDonough & McDonough, 1997: 206)

The procedures used in this case study were Yin's taxonomy (see McDonough & McDonough, 1997: 206). Figure 1 shows the procedures. Taxonomy is, in this case, a particular system of classifying things scientifically (Hornby, 1995: 1234). It consists of the following activities: (1) exploratory; (2) descriptive/narrative (supporting/challenging assumptions); and (3) explanatory (testing or generating theory).

Figure 2 illustrates the steps on implementing the three taxonomic research procedures integrated. Exploratory included preparation, predefined process of ToT. Narrative included process and alternative process during the ToT while explanatory or evaluation procedure included stored data, data in the form of documents and ended with decision. In this case, decision was in the form of writer's judgment toward the result of ToT which, then, was explained conceptually as the case study report.



**Figure 2. Integrated Data Collection Procedure in this Case Study**

In this case, exploratory was done by analyzing the questionnaire and pretest results to explore their lacks on doing professional jobs. The descriptive/narrative procedure was done by describing/narrating the result of data analysis (by developing categories conceptually). The gathered data was identified into categories of lacks/needs and then was described / narrated as a report on the ToT needs. The data found in the second procedure was analyzed as the basic of the ToT implementation (to provide training and test materials). Explanatory (testing/ generating theory) procedure was done by collecting all data found in the first and second procedures to analyze and to elaborate conceptually as a report of the research

findings. The result of the data analysis was explained sequent way within the research report which consisted of documents (See Figure 2).

#### 4. Research Findings

As it is written above that this study used Yin's taxonomy procedures (see McDonough & McDonough, 1997: 206) consisted of: exploratory (a pilot study), descriptive/narrative, and explanatory. In implementing the three taxonomic procedures the ToT resulted as follows: (1) understanding of teachers needs on how to develop syllabuses, teaching materials and conduct researchs; (2) improving both conceptual and practical new insights in conducting teachers' professional jobs; and (3) enabling teachers to conduct researches particularly by using CAR (Classroom Action Research). To make it clearer, the findings of this study are illustrated below.

First, understanding the teachers' needs on how to develop syllabuses, teaching materials and conduct researches. It was found by analyzing the results of questionnaires and interviews with the key informants. The questionnaires were given to the participants to fill in. Interviews were done toward the head of Education Technical Executive Unit/ETEU of West Yogyakarta Area (*Unit Pelaksana Teknis Pendidikan/UPTP Yogyakarta Barat*) and the head of the Principals Working Group/PWG (*Kelompok Kerja Kepala Sekolah/KKKS*) around Wirobrajan District. The result showed as follows: (1) all of the participants did not develop their own syllabuses; (2) there was only one participant (a woman who was studying at graduate degree when participated in the ToT) who created her own teaching materials; (3) according to participants own confessions, none of the participants had ever conducted research before joining the ToT, even for their own classrooms.

Second, improving both conceptual and practical are the new insights in conducting teachers' professional jobs. In this case, participants had been well-acknowledged with new insights related with their jobs through in service training such as: Law No.14/2005 on

Teachers and Lecturers (LTL), Law No.20/2003 on National Education System (LNES), concepts on curriculum and materials development (CMD), and designing Classroom Action Research (CAR) proposals and/or reports. They were also aroused to practice all the given concepts during the ToT. After following training sessions, they implemented the obtained new knowledge by doing taxonomic activities as follows: (1) developing integrated syllabi and lesson plan (for they were classroom's teachers) according to their own classrooms level; (2) choosing and/or developing teaching materials completed with students' worksheets; (3) designing CAR proposals and/or reports. In case of practicing the gained knowledge, not all participants did it in seriously with no apparent reasons. There were only ten (10) participants who showed that they really wanted to improve their teaching competences by doing all of the given assignments during the ToT.

Third, enabling teachers conduct researches by using CAR (Classroom Action Research). In this case, participants were suggested to design CAR proposals for their own real classrooms after joining CAR training, under the writer's guidance. After designing CAR proposals they were suggested to conduct simple CAR in their own classrooms, and then wrote their reports for each, conceptually. This activity, of course, took longer time than it was scheduled. Moreover, there was something wondering in this case. By the time of the meeting to discuss their works, there were only few participants who attended it with no apparent reasons, even if, the absent participants were contacted to come to the venue by the head of the ToT committee. In the next meeting during the ToT, they kept not doing their assignments. But in the last meeting of ToT, they attended though mostly of them kept not submitting the demanded assignments.

## **5. Conclusion**

Referring to the findings as written above, it can be concluded as follows: (1) The obtained data in the ToT was not far different

with the previous research findings for most participants seemed joining the ToT reluctantly even it was fully facilitated by the community service committee funded by the Directorate of Higher Education, the Ministry of Education and Culture of Indonesia; (2) There were only 10 among the 30 participants who joined the ToT actively by trying to really involve in the sessions and to do all the given assignments though still in incorrect ways; (3) Most teachers participated within the ToT seemed having low intrinsic motivation to improve their professional capacity.

By considering the result of ToT as stated above, it can be concluded that they need to be well-motivated to improve their capacity by using the more strict rules especially in case of implementing job's promotion requirements. Meanwhile, the relevant government, so far, has been awarding the added incentives to appreciate their professional duties. It really deviates from the reality and it is considered as a kind of maladjustment which needs to solve immediately and intensively by the upper relevant stakeholders not only by launching new curriculum but also by conducting planning, organizing, actuating, controlling and evaluating (POACE) towards their duties in education consequently. It must be done for the sake of supporting both the ILEN and the three pillars of ASEAN community in the efforts of promoting region's prosperity.

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INTEGRITY AND LAW ENFORCEMENT IN  
CORRUPTION CASES: CORRUPTION PRE-  
VENTION CHALLENGES AND STRATEGY

# Crime Prevention Strategy In Corruption

Anastasia Reni Widyastuti

## **Abstract**

*Combating corruption is believed to be able to create good governance and create a sense of justice. The creation of clean and non corrupt of state administration is not only the responsibility of the organizers of the state alone, but also of society. Community participation for social control of the practice of governance require. Society made the object of state administration and should be included as subje as well. Public participation can be realized in the following forms: a. The right to seek, obtain and provide information regarding alleged corruption has occurred; b. Right to submit suggestions and opinions in a responsible way to deal with law enforcement corruption cases c. The right to receive legal protection in terms of: 1) exercise its rights as described above, 2) be present in the process of inquiry, investigation, and as a witness at trial the complainant, witnesses, or expert witnesses in accordance with the provisions of laws and regulations; d. The right to obtain answers to questions about a report to law enforcement authorities within a period of 30 (thirty) days e. The right to receive services in locating, acquiring, and providing information regarding alleged corruption that has occured to law enforcement officers who handle cases of corruption. Public participation is defined as active participation of community organizations, individuals, and non-governmental organizations in the prevention and eradication of corruption. Form of public participation can be implemented by means of: a. The role of the media, b. The participation in activities directly. Public participation will mean nothing if not backed up by the quality and integrity of law enforcement agencies. Law enforcement agencies in order to have the quality and integrity also need the support of community participation.*

**Key Words: Strategy, Corruption, Community Participation.**

## 1. Introduction

Indonesia is widely known as one of the most corrupt countries. Corruption has spread horizontally and vertically, growing continuously in both quantitative and qualitative ways. But ironically very few criminals are tried and sentenced. As corruption has clearly inhibited and thwarted development efforts in Indonesia, all parties have the desire to prevent and eradicate corruption as soon as possible. Corruption in Indonesia is an extra-ordinary crime, consequently the law demands the availability of extraordinary and sophisticated institutions dealing with corruption. The issue of corruption eradication in Indonesia is not only a legal issue, but is also a social and psychological problem that needs to be addressed holistically (Atmasasmita, 2003, 25). Corruption not only in Indonesia but is also a global concern. It is as stated in the preamble to the United Nations Convention Against Corruption, 2003 which states: "believes that corruption is no longer a local matter but a transnational phenomenon that affects all societies and economies that encourage international cooperation to prevent and control it" (Djaja, 2010, 3).

Various efforts through the "law reform" and "law enforcement" does not show the maximum results. Apparently the law is not an effective mechanism to combat corruption, it is only one strategy that can be chosen to eradicate corruption. Even many experts in criminal law which states that only address the symptoms of the crime in general, in particular corruption, among others stupidity, ignorance, pessimism and indifference which ultimately reflect poorly on increasing the quality and quantity of poverty in society (Elwina S., 2011, 3). Prevention of corruption, in order to succeed is vital to civil society. This is because any attempt being made to develop anti-corruption strategies without involving the civil society will be in vain as most countries civil society participation is low, the level of corruption is high (Pope: 2003). Ellie Keen stated that civil society has a stake large enough for corruption, so his involvement in tackling corruption is very essential and is a must (Elwina S., 2011, 3-4).

## 2. Corruption Prevention

The Black's Law Dictionary defines corruption as : "An act done with intent to deliver a benefit that does not comply with the obligations of the official and the rights of other parties, to wrongly use his position or character to get an advantage for himself or for another person, together with the obligations and rights of others (Black, 1990). Corruption in Law No. 31 of 1999 jo. Law No. 20 of 2001 on Eradication of Corruption are grouped into: (1) the offender that hurt state finances, (2) bribery, (3) fraud, (4) extortion, (5) offenses relating to the chartering of suppliers and partners. Given this understanding of corruption, corruption is being handled through the form of prevention and prosecution, this is so that corruption does not only provide a deterrent effect, but it also serves as a deterrent power. To date there is still a tendency that all the problems can only be solved by legislation, but the new law means when executed and enforced in practice significantly. If the introduction of a legislation does not integrate and do not follow the rest of the systems, especially preventive measures, the law enforcement lacks meaning in the fight against corruption (Effendy, 2012, 6).

We must realize that the criminal sanctions alone can not guarantee a decrease in corruptive behavior in society. Corruptive behavior that is thriving because of the encouragement from the people themselves, who want to get instant service without going through the standard procedure. Behavior such that some people are not aware of having destroyed the integrity of the officers, authorities or other appropriate authorities. Problem prevention of corruption through prevention efforts in the three United Nations conference in Doha on 9 until 13 November, 2009 is past, the resulting resolution of 4 turns out the problem is still preventing the serious attention of the participants of the conference. It was seen that the resulting resolution of 4, the problem of prevention is placed on second to study the mechanism of prevention of corruption. Furthermore, the return on assets and a third of the fourth technical assistance (Effendy, 2012, 9).

Corruption is related to various issues, not just legal and enforcement issues, but also about moral issues / mental attitude, lifestyle issues, cultural and social environment, economic issues and the need for socio-economic inequalities, problems of economic system, political system problems, and problems development mechanism and lack of bureaucratic administration, including monitoring systems in finance and public service. So the movement and the conditions for the emergence of corruption are very broad (multidimensional), it could be in the area of moral, social, economic, political, cultural, bureaucratic /administrative and among other (Jaya, 2008, 71).

Government efforts to combat corruption started since 1957 by making legislation as a tool, among other methods (Anwary, 2005, 133-134):

- (1) Regulatory Authority for Regional Military Command Army No. Prt/PM-06/1957 dated 9 April 1957 on Combating corruptions;
- (2) Regulation Military Authorities No.Prt/PM-08/1957 about Against Surveillance of Property;
- (3) War Authority Regulation Central Army No. Prt/Peperpu/013/1958, 13 April 1958 on Investigation, Prosecution and Investigation of Corruption and Surveillance Deeds of Property;
- (4) Lord of War Regulation Center Chief of Naval Staff No. Prt/Z.I/I/7 dated 17 April 1958;
- (5) Government Regulation in Lieu of Law No.. 24 of 1960 dated June 9, 1960 on Investigation, Prosecution and Investigation of Corruption, which, according to Law No. 1 in 1961 has become a law and is called the Act Number 24 of 1960 Prp, beginning on January 1, 1961;
- (6) Act No. 3 of 1971 on the Eradication of Corruption;
- (7) Act No. 28 of 1999 on the Implementation of the State are clean and free from corruption, collusion and nepotism;
- (8) Act No. 31 of 1999 on Eradication of Corruption;
- (9) Act No. 20 of 2001 concerning Amendment to Act No 31 of

1999 on Eradication of Corruption;

(10) Act No. 30 of 2002 on the Corruption Eradication Commission.

In addition, the Government has issued:

- (1) Government Regulation of the Republic of Indonesia Number 19 of 2000 dated 5 April 2000 concerning the Joint Team Eradication;
- (2) Government Regulation of the Republic of Indonesia Number 71 of 2000 dated August 21, 2000 on the Procedure for Implementation of Community Participation and Giving Award in the Prevention and Combating of Corruption.

Apparently the legislation has not yielded as expected. Legal issues the claim is about the enforcement and implementation, or law enforcement. Indeed, role of legislation is to deliver to the welfare of the people (Bentham, 2006, 26).

A philosopher regarding legal realism named Wilhelm Lundsted said that the law is not anything (law is nothing) (Sujata, 2000, 6). This can be seen in Indonesia because it proved that with the increase of the number of rules, demands also rise. A complete Wilhelm Lundsted later confirmed that the new law has meaning after enforced. Without enforcement, the law is not anything (Rahardjo, 2008, 6). Satjipto Rahardjo has stated that enforcement is a process to realize the desires of the law. Social ambition fuels legislative bodies into converting thought into legislation. Law enforcement begins from those who formed the legislation. Social ambition formed through natural law, so that people who enforce law can reside in important and determining position (Rahardjo, 2009, 1-2).

Relevant to this, B.M. Taverne said: "give me a good judge, a good attorney and a good cop, then by law the bad, I can bring justice: (Rahardjo, 2007, 6). That is, however, a complete statement of the law, without the support of law enforcement officials is good, morality and integrity, then the result will be bad.



### 3. The Role Of Civil Society In Corruption Prevention

Combating corruption is believed to be able to create good governance and create a sense of justice. The creation of state administration which is clean and free of corruption, is not only the responsibility of the organizers of the state alone, but also of society. This is in line with M. Friedman who stated are 3 things that can affect the operation or enforcement of the law, namely:

- (1) Legal substance, the legal materials in the form of regulations.
- (2) Legal structure, the institutional-legal institutions to support their effectiveness.
- (3) Legal culture, the mental attitude and the attitude of society to the rules of existing law (Friedman, 1975, 11).

Community participation for social control of the practice of governance is required. Society created the object of state administration, they should also be included as a subject. The role of the community to participate in helping the government take steps to prevent and combat corruption is very important. Public participation can realized in the following form:

- (1) The right to seek, obtain and provide information regarding the occurrence of alleged corruption;
- (2) The right to receive services in locating, acquiring, and providing information regarding the alleged corruption from law enforcement officers who handle cases regarding corruption;
- (3) Right to submit suggestions and opinions in a responsible way to deal with law enforcement corruption cases;
- (4) The right to obtain answers to questions about a report to law enforcement authorities within a period of 30 (thirty) days;
- (5) The right to receive legal protection in terms of: 1) exercise its rights as described above, 2) be present in the process of inquiry, investigation, and as a witness at trial the complainant, witnesses, or expert witnesses in accordance with the legislation in force.

Public participation is defined as active participation of community organizations, individuals, or non-governmental organizations in the prevention and eradication of corruption. Form of public participation can be implemented by means of:

- (1) The role of the media: newspapers, magazines, radio, and television is a powerful tool in preventing and tackling corruption. The alleged cases of corruption in a government agency or alleged corruption by a state official can be reported through the media. The news can be followed up, by the authorities. Through the media, citizens can voice alleged corruption, the incidence of corruption, or other related issues. For example, the letters to the editor, post boxes, opinions, columns reader, or tring phone.
- (2) The participation in activities directly. Activities done directly and openly by a group of people associated with the efforts to combat corruption, this is called direct action. For example, protests againts government agencies charged with corruption, and portest of the agency to the Commission in order to seriously address the corruption cases. Non-governmental organizations (NGO's) are currently engaged in a lot of areas of preventing corruption. NGO's Actively and diligently carry out their activities to tackle corruption, through corruption reported by an official, feedback and critique of the use of the budget of a department, a report of alleged corruption department, and others.

The issue of community participation as described above, is expected to assist law enforcement to uncover any corruption. However, it encountered many obstacles in practice, as has occurred recently in North Sumatra. On 6 February 2013, North Sumatra Regional Police set three human rights activists (Pastor Rantinus Manalu, Ustad Sodiqin Lubis, and Denis Simalango Suing People's Movement Coordinator) as suspect, of defamation against Regent Tapanuli the center, Raja Bonaran Situmorang. The determination of the three activists as suspects and complaints related to North

Sumatra Regional Police came to light Regents on September 17, 2012. They are related to the issuance of Regents report ad in People's Daily Tapanuli on 8 September 2012, which contains nine points of the Regent fraud case. Then on 10 September 2012, together with the three activists protesting demanding Regents retreat. Oddly new cases came to light in February a long with the third activist named as a suspect.

The discussion the authors carried out with the involvement of some students indicated that the above case and many other similar cases has led to people becoming apathetic and refusing to play a role in the prevention and eradication of corruption. This is especially true if the perpetrator was an officer who had relations with the authorities. Many members of society may think "what if the report is not acted upon and could even be considered a crime?". Although laws exist which governs the participation of the community and regulates procedures for public participation and awards in the prevention and eradication of corruption, the community has lost confidence in the government's and law enforcement officials intent to implement these regulations. It is thus very important to build public trust in law enforcement.

#### **4. Conclusion**

Public participation will mean nothing if not backed up by the quality and integrity of law enforcement agencies. Law enforcement agencies in order to have quality and integrity also need the support of community participation. The public should enable corruption prevention through the red tape and not look for shortcuts, people also should not be ashamed and afraid to tell law enforcement agencies. Corruption will lose if there is cooperation between the public and law enforcement officials, who are determined and honest.

Society's negative stigma to the credibility of law enforcement agencies that are already formed can be eliminated and certainly should not be allowed to continue. Efforts to restore the credibility

of law enforcement agencies can be done through rebuilding public trust through integrity enhancement apparatus.

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# Integrity And Law Enforcement In Corruption Case In Indonesia: Combating Judicial Mafia And Corruption In The Justice Institution

Amin Purnawan

## Abstract

*Judiciary in Indonesia as the last bastion of justice seekers still plagued judicial mafia practices, namely abuse of power in the judicial process. There are at least two major factors on why the law in Indonesia is slumped in the midst of social change. First, it is because of the behavior of people and law enforcement officials (professional jurists) that corrupt. Second, the way of working and thinking of the Indonesian jurists is still confined by the mainstream of legalistic-positivistic. The integrity of law enforcement are weak, resulting in the involvement of judges an supreme court official in corruption cases. Furthermore there is a gap between policy and implementation. To overcome it needs policy and implementation strategies by increasing leadership capacity, scientific capability and personal integrity of law enforcement officers. Besides, it is necessary to control law enforcement process with a broader spectrum, as well as the commencement of the integrity of anti-corruption education, especially in law school. In such circumstances, the need to fix the system and the creation of integrated system is much needed than ever. By pushing the issue of the integrity of the system through institutional reform and apparatus improvement, there are many opportunities to reach. Some of these efforts are the integrity educational, improvement of internal rules and strengthening transparency and accountability.*

**Keywords:** Integrity, Law Enforcement, Corruption Case, Judicial Mafia

## 1. Introduction

Even after fifteen years of the reformation era in Indonesia, law supremacy and justice have yet achieved. This is clear as justice institutions as the last bastion of justice seekers is not free from corruption (judicial corruption) plus the existence of judicial mafia. We can certainly observed how these "corruptor" tried to demand to either be freed, acquitted or granted for their judicial review (Peninjauan Kembali). Subsequently of law enforcement for corruption cases can not a deterrent tool in attaining justice since many corruptor convicted lightly, so it is considered less fulfilling sense of justice. This failure to fulfill the needs of reform era in public view is the failure to remove corruption in all institutions. Various levels of state institutions and bureaucracy in it, was seen still overwhelmed with corruption without any sign of decrease. Indonesia Corruption Perception Index 2011 by Transparency International just shuffled around the figure 3.0 from a scale of 0 (worst) to 10 (best).

Institutions and members of Parliament, for example, are considered not free of corruption. Similar conditions are found in public officials and the judiciary, prosecutors, government departments, religious institutions, and even to the bottom of the government bureaucracy. Worse, the public actually think corruption is now done more widespread and deeper than in the New Order. Public judge corruption today is more than before the reform. Disclosure of corruption of legislators, police, judiciary to Ministry of Religious Affairs strengthen the public conjecture. Indonesian Legal Aid Foundation (YLBHI) also considered that the reform has not yet touched the justice of institution. The reason is that many judges in Indonesia involved in judicial mafia. Institution that are considered as the last bastion of justice fails to reform itself. This failure is indicated by some judges that can be bribed to either slow down or speed up the legal process in the court, or tho accept or deny appeals, or to influence fellow legal officials, or to order a particular verdict. The abuse of judicial power result decreasing public confidence and international world of judicial authority.

Allegedly, rampant corruption and court decisions that reflect lack sense of justice and the rule of law, to be one of the factors inhibiting investment.

Judiciary mafia, significantly eliminates access to justice for the people and justice seekers for a fair and impartial trial and to get trial that cheap, simple and fast. To combat the judiciary mafia, some strategies are needed to unveil their modus operandi as well as how to eradicate them. One of which is strengthening supervision and community participation in controlling the judicial process.

This paper will examine the root of the problem of judicial mafia particularly the handling of corruption cases in Indonesia which is linked to the issue of integrity and tried to offer solutions.

## **2. The Blurred Images of Corruption Cases Law Enforcement In Indonesia**

Legal community that is expected to enlighten, has become one troubling of the actors that directly or indirectly be a trouble maker of the nation. As a result, the legal path Indonesia gets worse (Ali, 2002: 7). Therefore, the leadership of the Supreme Court do not give a strong aura for the enforcement of law and to fight corruption. The judiciary should have been able to answer all the skewed judgment, and prove that they are clean experts that have a strong moral integrity and vision.

It was necessary, in order to arouse public optimism and encouraging judges to uphold law and justice. Judicial reform requires improving the quality of human resources that have moral integrity, intellectual capacity and leadership. There are at least two major factors why the life of the law in Indonesia slumped in the midst of social change. First, due to the behavior of people and law enforcement officials (professional jurists) that corrupt. Second, the way of working and thinking of the Indonesian jurists is still confined by the mainstream of legalistic-positivistic.

The first problem can be addressed through efforts to improve the moral of the nation. Religious education and religious practices

should be able to make religion as a source of value in everyday life. So far we see places of worship visited by his people, but there is a trend that is only when the religious worship to the creator. Religion is a matter for the afterlife, while others got out of religious affairs. In fact, religion should regulate all aspects of human life from birth to the grave. While the second problem can be transformed through a progressive model of legal education that will hopefully bring forth progressive jurists and legal progressive. Legal education is going to do a search, liberation and enlightenment. From there, a figure expected to be born that have nation characteristics, have strong integrity and anti-corruption.

In such circumstances, the need to fix the system and the creation of integrated system is greater than ever. By pushing the issue of the integrity of the system through institutional reform and apparatus improvement, there are many opportunities to reach. One of these efforts is the integrity educational, improvement of internal rules and strengthening transparency and accountability. To be able to get out from worse legal situation in Indonesia, then there must be a search and liberation from the conventional way of working that was inherited by the flow of positive law with all its doctrines and procedures that one completely formal-procedural. The release brings enlightenment that can only be reached through a paradigm of progressive law who cares about truth, humanity and justice. For those who mastering the law and legal technique but have low moral will be able to take advantage of the law to do their best to win the case being handled. Even if they have a tendency pleased to collaborate with those who committed the crime, then the law for him can be changed as a crime (law as a tool of crime). Crime with the law as a tool is the perfect crime, difficult to trace, because overshadowed by the law and are sit in it. (Nitibaskara, 2000: 7)

Indonesian legal system that belongs to category of modern law and positivist liberal is basically held not to provide justice to the people, but simply to protect individual liberty. The main weapon of individual freedom is legal certainty. For the sake of certainty, the



justice and expediency have to be sacrificed. Such conception is parallel with the tension between formal legal justice with substantial justice. The Indonesian court thinking system is linear, mechanistic deterministic, and emphasizes on the formality and procedure laws of the jurists we became more used to 'save' the people according to the true sense of justice has been looting the country's wealth.

As a self-criticism, all law colleges across Indonesia and his teachers should be contributed as dader that plan and make legal experts who make arbitrate murky practices in Indonesia. It is very troubling heart to see the condition of law with all forms of praxis in the country. The use of formal law-paced procedural and technical, basically forgetting the truth, justice and humanity.

According to Satjipto Rahardjo (2003: 116), law that promises the truth, humanity and justice can only be achieved if we are out of law that formal procedural. When we want and believe in the law and its practice can still be used as a nation lightening media, then we must look for alternatives agenda that progressive. Strictly speaking, Indonesia needs progressive development of law. This means that we must be willing to abandon traditional ways of thinking of the modern legal legacy in the nineteenth century. Progressive thinking in the law means having to venture out of the mainstream legal thought into relative position. In this case, the law must be placed in the overall humanitarian issues. Works based on legal-determined mindset is necessary. However it is not an absolute that must do when the lawyers dealing with a problem that if you use the logic of modern law (which is outdated) would harm the position of humanity and truth. Works based on progressive legal mindset (progressive law paradigm), of course, different from the paradigm of positivistic-practical law that had been taught in the college of law. progressive law paradigm saw that major factor in the law is the man himself. In opposition, positivistic law paradigm saw law above human. Humans may be marginalized but law remain upright. Legal progressive paradigm think that law can be marginalized to support humanity existentiality, righteousness and justice.

The main agenda of progressive legal paradigm is to place

people as the central of the whole debate about law. Acceptance of the human factor in the center of the legal discussion brings us to care about human behavioral factors (behavior, experience). Based on Oliver W. Holmes theory, regulatory logic is enhanced by logical experience. If in the philosophy of practical legal paradigm the position of 'man is for the law and legal logic', so that people should be forced to put into law, on the contrary, then the philosophy in progressive legal paradigm is 'law for human'. One of the pillars of the establishment of the sovereignty of the state is the sovereign courts. Court is an institution in charge of enlightening and giving path directions for nation civilization. Settlement of disputes between the people and rulers or between citizens that are processed through an independent judiciary should be the pinnacle of wisdom and social cohesion adhesive for the disputing parties. Disagreements and legal disputes are part of the social dynamics of a modern state.

Philosophically, the profession of judges bring the vision and mission to uphold the sacred law and justice in the name of God to the big picture. Therefore, the judge in carrying out its obligations must keep using the voice of conscience justice. Administration of justice is a noble and constitutional duty, in order to realize the ideals of the constitution namely prosper community through the rule of law and justice in the courts. Duty to maintain dignity, dignity, and honor the judge through administration of justice is thus a noble task and constitutional. This great work, can actually be carried out jointly between the community and the Judicial Commission (KY). Control over Judges and judicial officers is needed to ensure a right dynamic of organizational justice runs through the straight path and headed in the right direction. Ethics control is shown through the Judge Code of Conduct and Code of Ethics. Juridical control of the litigants is done through an appeal and review (PK). Technical controls over administration of justice, finance, facilities and infrastructure is done through internal controls.

Former Supreme Court Chief Prof. Bagir Manan said that the work to reform the judiciary is not an easy job that can be realized

in a short time, or it can be carried out by the Supreme Court without the support of other parties. The existence of the Judicial Commission as an external supervisor from the judges is so absolute. KY with all its authority can not run properly without the support of all other parties, especially the Supreme Court. We hope that Law No. 02 Year 2004 as amended by to Law no. 18 Year 2011 regarding the Judicial Commission, can be applied more effectively, making supreme court judgess be more trustowrthy. Therefore KY should consider not only to the development of judges' credibility but also building of communities that are aware of judicial mafia.

### **3. Anti-Corruption Integrity Education**

It is unfortunate that most of corruptors are highly educated people. In view of the KPK deputy chairman M Busyro Muqoddas, the role of universities in conducting corruption resistance was assessed as minimal, compared to NGOs such as ICW. Corruption in Indonesia dominantly occur among the echelon I, II, and III that in fact are product of college. (Suara Merdeka, 21/01/2012).

In addressing more severe corruption practices and the need for preventative measure, the Ministry of Education and Culture aims for the implementation of anti-corruption education as part of the character education in the academic year 2012. This anti-corruption education, will be applied to all stage of education. Thus, the next five years is expected to have grown generations of anti-corruption. In this education, not just understanding anticorruption, but also good values with different delivery method. In addition it also has formed a technical team to discuss contents of existing anti-corruption education to be integrated into the learning process. It is the duty and moral obligation for college as an educational institution to fight corruption by educating the community and encourages social change in the direction that strengthens the values of integrity. There are some important things that still need to be developed by the college education that promotes integrity based on local wisdom inside and outside the campus. It is expected to be done by turning on the campus as a zone of integrity network

and strengthen cooperation between universities. It is expected that strengthening integrity education colleges will strengthen efforts to combat corruption that widespread today.

Integrity is simply as doing the right thing for the right reasons when no one is looking. According to Big Indonesian Dictionary 1996 edition, 'integrity' means 'the quality, nature, or circumstances indicate coherent whole so that it has the potential and ability to exude authority'. Integrity is a word that covers a number of values that we hold to guide our actions. In the Strategic Plan 2008-2013 of Directorate General of Taxation, integrity is defined as running work to always uphold the ethical and moral principles, translated by acting honestly, keeping promises and act consistently. The two generals definition of integrity are definition that may not be complete and comprehensive, although fairly represent the range of the concept of integrity. Currently, Integrity is believed to be the most important point that affects the life of the nation, state and society in Indonesia to achieve prosperity and stability in different aspects of life. However, the understanding of the term of integrity, as well as the integration of the various aspects of the issue of integrity in public life is not understood by most people. Consequently, integrity and anti-corruption education is still not up to touch education institutions in Indonesia, seen from the lack of reading material or references that can be oriented courses supporting the integrity or anti-corruption. Education needs to oriented for value education. That education is not only to develop science and technology but also the values of divinity and humanity, including the integrity and anti-corruption education. Learning methods have changed from previous practices that dwell on the cognitive domain, the planting and the formation of character through the development of the affective domain of learners. For Indonesia, corruption is recognized as an extraordinary crime. Together with collusion and nepotism, corruption appropriately placed as the root of all the problems of the nation. The problem is, public awareness of corruption as the root cause of the nation, did not appear. In fact, when this awareness grows methodically on a critical mass,

the snow ball effect will bring significant change to accelerate the achievement of the constitutional nation. Internalization of values and a strong methodical understanding of the root causes of it, the whole of the nation, is a strategic starting point to free Indonesia from corruption. This strategic move, need to be encouraged from the cognitive domain to planned positive behavioral change through anti-corruption integrity education, with students (especially law school) as a priority. Of course, the toughest challenge is to free our education from the practice of corruption, even if it might by make Ministry of Education and Culture as pilot institution that free from corruption practices.

According to Prof. Satjipto Rahardjo (2006: 16), Indonesian legal education today lack of humanitarian vision. Legal education, learning the law and the law curriculum is too dominated by the perception of law as the technology to handle the case. From there learning is more emphasized on 'rules and logic' by marginalizing aspects of humanity. The progressive legal education wants to balance both. Recognized or not, that in reality, the law is still struggling and strong hold on the normative-positivism optic. If the law wants lifted its degrees and dignity, it should open up and welcome to the other sciences.

The roles and function of law schools can be shifted from the original as a purely professional learning, to a propaganda agency. Therefore, before students are forged to be a professional, then firstly forged as human that have noble character and integrity. To start, it can be initiated by establishing jurisprudence with conscience (Satjipto Rahardjo., 2006: 16). However, in view of Tiri, an understanding of the term integrity, as well as the integration of the issue of integrity in all aspects of social life is not understood by most people. As a result, education, integrity and anti-corruption still not up to touch the educational institutions in Indonesia, seen from the lack of reading material or references that can be main supporters for courses oriented toward integrity or anti-corruption.

Corruption and various other irregularities – such as collusion, nepotism, public lies, bribery are the major issues being faced by

Indonesia as evidences of massive corruption cases committed by an individual, or group, even involving the government concerning the lives of many people. Various laws have been created to deal with this problem, among others, the Act of Anti-Corruption and other regulations concerning state finances (Law on the State Budget) to public service (public service law). Unfortunately even with the existence of these rules, a number of irregularities still occur on a large scale. On the other hand, anti-corruption strategies are more focused on the disclosure of major cases, the corruptor investigation and law enforcement (repressive). This law enforcement is not worth the effort to fix the corrupted system. In fact, it was later realized that corruption arise not only due to bad faith actors but also because the system provides re-occur flexibility to perform acts of corruption. As a result of bad system, corruption will recur as a systemic phenomenon. As a symptom of systemic corruption, corruption can be consider as cancer that harm the State and society. Corruption is widespread because overwhelming all power holders both in bureaucracy and political.

#### 4. Conclusion

Courts in Indonesia as the last bastion of justice seekers still tinged judicial mafia practices such as abuse of authority in the judicial process. Lesson on anti-corruption can be used as an attempt to eradicate the judicial mafia in Indonesia. Moreover, it is necessary to increase the participation of all elements of the community under the supervision of judicial process with the Judicial Commission. Communities including education also need to be encouraged to not be part of the Mafia, instead to be an activist against corruption.

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INTEGRITY AND LAW ENFORCEMENT IN  
CORRUPTION CASE: LEGAL ENFORCERS AND  
CIVIL SOCIETY IN COMBATING CORRUPTION

# Corruption In The “Ngabudi Ucing” Strategy In Parliament At Bandung

Junardi Harahap

Rita Destiwati

## **Abstract**

*Corruption is a matter that has been entrenched in Indonesia. Almost every day, the television shows news about corruption. Corruption is like an endemic disease in Indonesia. It must be eradicated until the roots to make Indonesia as the new face on the world stage. So that, it must be understood how corruption happens in parliament, so we know to solve this solution. Therefore, the research result is very important to fight corruption in Indonesia. This study tries to answer about how the corruption be done by members of the board in Parliament at Bandung. This study uses a qualitative descriptive approach, participant observation, in-depth interviews and literature study. The results showed that the corruption forms be done the Ngabudi Ucing, in Sundanese language, so much going on mark up in the budget, the budget fraud, twin budget and create a new budget.*

**Key Words:** Corruption, Ngabudi ucing, Parliament



## 1. Introduction

Highlighting cases of corruption in parliament, according to Wright lawmakers in parliament there have selfishness behavior, a behavior that portrays the phenomenon of self-interest for the fulfillment of those lawmakers. C. Wright Mills in Maliki (2004) with the concept of the higher Immorality says conspiracy immorality power elite at advanced levels, believed to be a serious threat to democracy and describes the loss of moral sensitivity among the members of the legislature. These include the proposed establishment of a high legislative salary income, full devotion funds and other charges (in Maliki 2004: 16, 13). In the formal legal rules, efforts to combat corruption in Indonesia, more than enough, there were at least six of legislation, namely Law No. 3/1971, Law No. 28/1999, Law No. 31/1999, Government Regulation No. 71/2000, Law No. 20/2001, and Law Law No. 30/2002. For that there should be parliamentary great efforts to eradicate corruption that has jeopardized the enforcement (Harahap 2005: 377). The theory of the nature of this micro Homans, relying on three key concepts, namely: (1) activity, which is the actual behavior is described at a very concrete, (2) interactions, i.e. what activities are stimulated or stimulated by the activities of others, and (3) feeling (sentiment), i.e. a state of opinion and as an external sign or which are behaviors that indicate an internal state. (Johnson, 1986:61).

Bubandt (2006: 413) states fall of President Suharto was followed by the implementation of decentralization in Indonesia. With the enforcement of regional autonomy led to the center of power is in the hands of the petty kings in the area, which then fertilize the high level of corruption in the region at the present time. With high corruption in the region led to the high level of criticism of the implementation of regional autonomy. Kwok, C.C. Y and Tedesse S. (2006:767) corruption that plagued not only at the government level, but also happens to be a multinational company must spend some money to facilitate their business sector in the location. With the expansion of international business activities, multinational companies (MNCs) to be careful in choosing the

host country to their foreign subsidiaries, because they worry that rampant corruption could increase their operational costs and risks. Hasty, Jennifer. (2005: 271). Developing countries are faced with a serious problem of corruption is great, and required a lot of effort and earnest to destroy than the corruption. In practice corruption tend to see corrupt practices alienated, self-interest actions by the greedy servant hunt on national resources selfish and evil desires is calculated in the absence of public discipline. It is therefore assumed that the wider public exercise of social discipline through state agencies will work to prevent corruption by selfish greed stifling individual through corruption. Cazurra, A C. (2006:807) in shows that investors are clearly involved and affected by corruption are more likely to search than the countries could gain corruption in facilitating abuse of public power for private benefit, creating uncertainty about the cost of operations in the country.

Syed Hussein Alatas in his book *Sociology of Corruption* (1983) and *Corruption: Its Nature, Causes and Functions* (1990) study of the text in the anti-corruption movement in a number of countries around the world, including Indonesia. According to Alatas (1983:8), two against corruption is an absolute prerequisite for those in power and the power of a moral law that efficient and rational. Alatas (1990:3-4), "corruption is the abuse of trust in the interest of private gain," abuse of trust for personal gain. From this sense, Alatas develop some typologies of corruption. First, "transitive corruption", i.e. corruption on an agreement between a donor and a recipient for the benefit of both parties, and second, " extortive corruption", which involves the suppression of corruption and coercion to avoid harm to those involved or those close to the perpetrators of corruption; Third, "invested corruption" of corruption that began with the bid / lure an "investment" in anticipation of the profits in the future; fourth, "nepotistic corruption," that corruption happens because the special treatment either the removal of the public offices and the provision of projects for the immediate family of five, "corruption autogenic" of corruption that occurs when an individual officer benefit because having knowledge as an insider (insider's

information) on various public policy that should he conceal , and sixth, "corruption supportive", i.e. protection or strengthening of corruption through the machinations of power and even violence. Media has a huge role to eradicate corruption in Indonesia, providing good news about corruption and bringing corruption cases to the realm of law enforcement (Destiwati and Harahap 2012: 364-365).

Syed Hussein Alatas lent Marcel Mauss (1954), about corruption, corruption is said to be the form of prizes. Mauss said gifts are not returned will patronize people who take it, especially if he did so intentionally without intending to return it. Mauss noted that the languages of the Old German word "gift" are used to express the administration and toxins. Themes are very important gift, prize or property that is toxic, is fundamental in the German stories, such as gold Rhine harm the win, trophy Hagen harm hero who drinks and more stories and legends of this kind, such as both Germany and Celtic are still haunts our imagination. Mauss in Bohannan and Glazer (1973) research aspects that have an influence on the science of anthropology is about giving gifts and analysis, according to Durkheim's analysis is a primitive classification. Research on primitive classification seems heavily influenced by Levi-Strauss and his research on the exchange of gifts is very influential on Economic Anthropology also the Levi-Strauss. Works great Mauss on gift giving is an analysis of the exchange of gifts or accomplishments in a simple society with his work he became one of the first authors to recognize that the social fabric in a society that does not discriminate simple. As the economic and political objectives met by kinship ties, make gift giving as a social phenomenon as an expression found in all aspects of social life and institutions such as religious, moral and economic. This certainly does not mean that in religion and economics are intertwined is better value that they are not distinguished.

Mauss also acknowledged that the gift is not a whim but a part of a network of social obligations, in other words, reward and repayment of the obligation to present gifts in "Social Fabric" (Mauss in Bohannan and Glazer, 1973: 265-267). To achieve the objectives

of corruption made necessary strategic actions, strategic actions involve two or more individuals who coordinate the purposive-rational action to achieve goals. Habermas is most interested in communicative action, where: "The actions of the agents involved are coordinated not through egocentric calculations of success, but through action to achieve understanding. In communicative action, participants are not primarily oriented toward their own success: they pursue their individual goals under the condition in which they can harmonize their plans of action based on the definition of the situation together "(Habermas, 1984:286).

## 2. Literature Review

Purposive-rational action objective is to achieve the goal while the goal of communicative action is to achieve communicative understanding. Obviously there are parts of speech (speech) that are important in communicative action. However, the act is broader than "actions speak or nonverbal expression of an equivalent" (Habermas, 1984:278). Habermas also adopted a base, but more in the area of communicative action rather than purposive rational action. Base Habermas is not aberrant communication, communication without coercion. With this base Habermas is able to analyze the communication is distorted. Habermas also pay attention to the social structure of distorted communication. Habermas is the political goal of the communication (communicative action) is not interrupted, Habermas also directed to eliminate the communication barrier-free. Habermas (1984:21) took from Freud and see a lot of similarities between what psychoanalysis expert analyzed at the individual and what he think the need to be done at the level of society. Expert's psychoanalysis tries to find the source of distortion in individual communications in a sense to get rid of communication barriers. Through reflection, psychoanalysis experts try to help people overcome barriers, similarly, through a critique of therapeutic, "arguing that helped clear up a systematic self-deception".

Habermas in Hardiman (1993:127-128), states desisionistis models emphasize the role of politicians in politics over the experts. Instead, the experts themselves a lot depends on the politicians, so that scientific considerations are not a lot of talk in the decision making process. Political decisions are based on the order of values and beliefs. Because politics is not based in a rational way, the decision is a matter that will be decided not just by politicians. Clearly this model is not a mirror effort to rationalize power, because in the end showed characteristics of rational politics. In this model, the strict separation of the functions of experts and politicians replaced with critical interactions. This model allows for mutual communication among experts and talking with scientist's politician according to practical needs. Communication is described as a kind of communication that is not based on ideological legitimacy of power, but an informative discussion of science. So, here it is assumed that technical progress governed by the requirements that historically in the form of a value system. Rationalization of power, in turn, raised the issue of democracy in the sense of common forms of communication and a free public and institutionally guaranteed. In Habermas's view, only complains of power rationalized. Such discussion is only possible in a social area that is free from censorship and domination. In his essays "The Public Sphere," Habermas saw the development of the social sphere like that in the history of modern society.

Theoretically, a consensus emerged in the discourse (and communicative action) when the four types of statements of truth presented and recognized by the participant interaction. First, the speaker utterance can be understood secondly, the statement expressed by the speaker is actually meant speaker argued reliable knowledge. Third, the speaker believed to be correct in asserting the statement, the speaker can be trusted. Fourth, it is right and proper for the speaker's statement; speakers actually say so. Consensus appears when all the truth revealed is revealed and accepted; truth will be destroyed if one or more question. Back to the previous point, there is power in the modern world that distorts this process, which prevents the emergence of consensus and must be addressed in

order to materialize the ideal Habermas (Rizer and Goodman, 2004: 187-191).

One of the issues discussed Habermas (1987b) was significantly increased problems faced by the social welfare state and the modern bureaucratic. Many of the modern state that recognizes the problem but they solve it at the system level, for example by adding new subsystems. According to Habermas, the problem would not be solved that way. These problems must be solved within the framework of the relationship between the system and the life world. First, the "hurdle controllers" (restraining barrier) should be used to reduce the effect on the lives of the world system. Habermas concludes that contemporary problems cannot be solved "with the learning system to function better. Impulses of life of the world to be able to play a role in the control of its own from a functional system "(1987b: 364). This is an important step towards the creation of mutual enrichment between the life of the world and the system. Here, social movements began to play a role because the movement will reflect the hopes and lives of the world alignment system so that they can achieve the highest possible level of rational (in Ritzer and Goodman, 2003: 580).

According to Turner, the main idea of the theory of exchange are: (1) Humans are always trying to find an advantage in social dealings with others, (2) the transaction of human social conduct cost-benefit calculations, (3) People tend to be aware of the alternatives available to him; (4) Humans compete with one another, (5) the general relationship between the individual exchanges take place in almost any social context, (6) Individual exchange various commodities such intangible feelings and services (Turner, 1978: 2002-2003). The assumption of exchange theory Homans that people engage in behaviors to obtain rewards or avoid risks (punishment). Method of forming a scientific theory consists Homans, first. Homans forth a functional perspective in which the group is seen as an organic whole composed of many interrelated parts of a whole or a part of a social system that is in the wider system. Secondly, according to the theory should be abstract and independent of individual concrete

examples. In forming such theories, some concrete factors had to be discarded in an attempt to develop a theory that can be generalized beyond the single phenomenon that thorough. The theory is obtained inductively, i.e. facts that should be used to establish a more general theory and can be applied to the whole group (Verger, 1986:56). Opinions Homans (in Garna, 1996: 77) social exchange activities that include at least two individuals or two-way relationship on the consideration that:

- (1) If the past earn rewards, then it will be repeated in the present.
- (2) If the activities of a person in a certain time always get rewarded, then the same activity will often do by someone else.
- (3) If the activity is providing value for someone then that activity will often do.
- (4) If within a period of time to obtain reward activity, then it will decrease the value of benefits, so that not appeal to others to do so again.
- (5) If within the period of time an activity one does for others does not obtain benefits in kind, then most likely the person will exhibit unpleasant behavior (upset, angry, or aggressive).

Measures of social behavior intended by Homans is an action relating to a will that results in a reward and punishment of others. For example: a child's farmers grow wheat and corn in a certain way to be considered a social behavior throughout his actions oriented towards the potential rewards and punishments of others, say to his father. And the action is not considered to be social if the child who planted corn was only oriented solely to get his crop. "Further prerequisite is that if a person acts in a certain way towards others, the rewards and punishments must come from both parties and not from a third party, either an individual or an organization (Homans in Zeitlin, 1995: 93). Homans basic social behavior, depending on the two forms of the theory of social behavior and properties of basic economics. Two forms of the theory can be merged into one, because they illustrate that human behavior as a function of what



it paid for: "the number and type depending on the number and type of reward and punishment that he got." Both describe the exchange of human activity from the point of view of rewards and expenses and explain the activities and perspectives specific action costs compared with what obtained by the actor as a reward. From this perspective, social interaction is the exchange of goods and services in which each actor striving to reduce costs and maximize profits (Homans in Zeitlin, 1995: 93-98). The behavior of the group very easily be interpreted as a means of coercion to suppress the agreement that some form of tyranny. How can Homans believes that the group's reaction to Alec more of an emphasis agreement. (Homans, in Zeitlin, 1995:97-103). Sociologists who embrace this theory states that a person will interact with others, therefore it is considered profitable, so he gets a reward. Of course, that in the process, the exclusions may feel loss or disappointment. The loss was being an "expense" to be burn relaxes, for example, obligations, anxiety, boredom, and so on. An advantage of this relationship represents the excess of the benefits and costs, it is often called the theory of rational choice theory (rational choice theory).

### **3. Methodology**

The research was conducted in Bandung parliament rather than by using a qualitative approach by conducting interviews and also by observing. Informants were interviewed MPs in Bandung than the various factions in the parliament. Interviews were conducted with the factions than in parliamentary Bandung and sometimes also performed at the commission meeting spaces. The method of observation was also made by attending than plenary sessions in parliament Bandung, to reinforce rather than the study done by reading literature and reading and clipping rather than newspapers.

### **4. Result And Discussion**

Corruption in Bandung parliament in the form of strategy that called the Sundanese as ngabudi ucing, so much going on mark up



the budget, the budget fraud, twin budget and creates a new budget. Strategy ngabudi ucing, it can be seen than what is conveyed by the informant in the research, such as that delivered by the informant A stating that corruption in parliament street Bandung conducted using mind cats or the Sundanese as ngabudi ucing, that by doing good in public, but in fact it is false because it is actually just an act to fool the people with corruption. Corruption is the case as well as presented this, it seems once during visits to the work done by members of parliament, and it is known that they do so. As said by the informant B in general it depends on us, the approach is flexible in the association or it is not a problem. Whose name is the political world, a lot of masks that play, not necessarily sweet face sweet heart too. Political world as it is. If the spirit of the fact we have seen, the spirit was there at all. Moreover, the nature of things that goes in to the definitive posts. But the problem is the things that apply to the budgeting definitive, say as there are moneys that are actually not planned coordination directly. We are different understandings with other friends. This is confirmed by the informant C:

“The first, our moral appeal, we invite owners especially executive budget holders. So turning the money in the executive branch, so if legislative just receiving salaries / wages only. So the money is on the executive, so we are a moral appeal that we all, including myself, to be honest and stay away from corruption, for which targeted this reform. Both of which, of course if there are findings we would urge the judiciary as law enforcement to investigate, so did political pressure. Judiciary should also be clean of corruption.”

The forms of corruption in parliament Bandung is very hard to be rejected and the case is the existence of the funds received rather than employers and stakeholders who want rather than the project as well as its interests are supported, so favorable than the employer or the stakeholders. Another thing is said by informants D:

“Corruption happens parliament is perceived in certain moments of the council members are given funds by entrepreneurs for

example in the workplace visits, projects and the like. The amount is usually 1.5 million to 5 million. Corruption conducted secretly like ngabudi using, but an unfortunate when there are board members who refused to accept the bribe them secretly. For example in visits when we refused they received the money secretly. Regarding corruption in the council in the past due more to ignorance of the rules, due to no clear rules so that no member of parliament trapped ignorance ”.

Conclave much corruption and bribes aroma that accompanies than election, money given to support one candidate in the election of the chairman and also chairman of the others could reach millions of dollars to elect the chairman and I think it is as a member of parliament who give money and some are accepted and some are rejected scent this bribe. As said by informants E that is not feasible if I mention who. But, certainly I never offered money to \$ 10 million. Some friends also claimed to have received the same offer. When asked if we accepted the offer, of course I refused. For us, it's way off the mark. Corruption is often the case is the absence of legal framework encompassing than the policy, legal and ignorance rather than the often than not result in corruption. As mentioned by informants F:

“Submissions of official cars was discussed at the committee, but by the Special Committee omitted because there is no legal umbrella, submissions for the official car audible board members in the committee meeting. However, he did not know who first proposed them. The issue was raised at the car allotment committee level and in the regulation of the financial protocol and board members. Points in the law is written, board members receive customized car Bandung municipal government financial capabilities. Strike me as a team Panmus (special committee) points and approved by all members Panmus because there is no legal umbrella.”

Informants G also explained the corruption is also due to some items that are not clear designation. Basically we try to do things that are definitive for budget items that are not clear designation. We realize designation is not clear-allotment is very vulnerable, the

more items that can be removed. The posts that are prone to be getting smaller, to get funds is not clear that it will be much smaller as well. We seek a mechanism how the budgeting and expenditure of the budget more transparent, more scalable performance. Eventually it will be very difficult do budget diversion efforts. If for parliament, perhaps, the current state is a little difficult so to make the budget fraud. If associated with budgeting parliament is now very difficult time with the first. The parliament does have the right budget, to determine what items budget. If now is not like that, which is so related to executive relations executives how it enables the utilization of existing budget gaps that are not true.

Solutions that can be done are to provide care and also provide moral education to the members of parliament, so it is no longer a dangerous corruption than the interests of the nation and the state. Moral education is extremely important, because corruption can only be cleaned with a moral education, because who knows rather than corruption that happens is in person. Corruption is caught very little, and mostly unknown to the legal authorities. Many roads to avoid rather than corruption by way of a variety of ways, and the corrupt are many people who are good at avoiding rather than corruption. The solution is as said by informants H:

“For Indonesia that is cleaner and more concerned, we will continue to consistently fight against corruption that has been ingrained to our country is a nation with the second highest level of corruption in the world. Efforts to eradicate corruption must begin with the moral improvement of society, especially government officials, including members of the board that will represent the aspirations of the people. When morality is clean, the culture of corruption will slowly disappear until the level of social welfare will be quickly realized.”

## 5. Conclusion

Corruption in parliament Bandung is a way of doing strategy in Sundanese *ngabudi ucing* or a strategy with the strategy of cat activity in front of the public seems like a good guy. However,

when people do not see corruption committed by greedy to mark up the budget, the budget fraud, twin budget and create a new budget. Mark up a budget is a reasonable thing to do, and as if the budget is a reasonable budget, naturally done *ngabudi using* strategy. Many things can be duped in the budget so that it appears in the fraud in the budget, which budget no later held there by the corruptors. Other modes by twin budget so that the budget is a twin, so the criminals take the budget for the sake of her own belly. Programs that are not clear, creating a new budget that is not for the benefit of the people but to be eaten by her own belly. Solutions rather than fighting corruption than can be done by understanding morality than to the perpetrators of corruption, because with good morality will lead to the realization that there are moral rather than the perpetrators of corruption is to be aware and do not want to commit corruption and corruption would be ashamed.

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# Causes Of Corruption Behaviour On The Case Of Marked Up Prices In The Land Acquisition For Construction Of Pln Office Building Th Rayon Kuranji 2007 In Padang City

Indah Adi Putri,S.IP,M.IP

## **Abstract**

*This article seeks to explain one of the corruption cases related to land management and procurement process that has received the court's decision. Land is one of the natural resources which are very important, but its administration is often a sector prone to corruption. Using an approach that values integrity, Fredrik Galtung said, that integrity is a function of the interaction between the integrity of accountability, competence and ethics. Here I will try to identify how the causes, processes and consequences of corruption exist in the case of the practically in mark up prices of land for state power company (PLN) office building on Kuranji Padang in 2007. The results of investigation found that corruption exist due to defendant declaring suppliers (entrepreneurs who provide land) to have met the qualification requirements, but did not have a valid certificate. I concluded that the activities carried out by the defendant had violated the law (as evidenced by the legal sanctions received by the perpetrators of corruption), also have violated the values of integrity as a public official (employee PLN), to using their position to the organization, but through interaction with contractor employers who organizes the land thhis behavior is unethically and against the rules, as well as doing acts of corruption when harms the country of Rp.291.000.000, -. Making it clear that corruption in land acquisition is not in accordance with the values of integrity.*

**Key Words : Value of Integrity, Procurement of Goods and Services, Corruption**

## 1. Introduction

The Rate of growth and evolution of corruption in Indonesia has become a phenomenon which has traditionally been difficult to solve. Although official reports indicate an increase in governments effort in handling corruption cases, this report does not reflect the real levels of corruption in the canto. The corruptions estimated dark number is much larger than the recorded corruptions<sup>1</sup>.

Almost all survey put Indonesia as a country with a high level of corruption. This caan seen from the table below :

**Table 1: Score of Level Corruption in Indonesia**

Indeks	Score	Very Corrupt	Very Clean	Score in Scale 0-100%
GI Index 2008	69,00	0	100	69,0%
CPI 2008	2,60	0	10	26,0%
PERC 2009	8,32	10	0	16,8%
CGB 2009	3,70	5	0	26,0%
WGI Control of Corruption '08	(0,64)	-2.5	2.5	37,2%

Source : Wijayanto,2009

Note: GI Index: Global Integrity Index; CPI: Corruption Perception Index oleh TI; PERC: Politic Economic Risk Consultancy Index, GCB: Global Corruption Barometer oleh TI, WGI: Worldwide Governance Indicator oleh World Bank

In 1995, Transparency International (TI) trough CPI 1995 put Indonesia as the most corrupted country which scored 1,9 or a ranking of 41 at 41 countries<sup>2</sup>. So, we do not need to question, the phenomenon of corruption in Indonesia are the biggest problem that really need serious treatment. However, the report does agree with Mochtar Pabottingi that such high levels, does not mean that corruption can not be eradicated. Discourse corruption as culture a expression of concern is the fact that the hyperbolic assertion, "red

- 1 Elwi Danil, 2011, Korupsi: Konsep, Tindak Pidana dan Pemberantasannya, Jakarta: PT RajaGrafindo Persada, v
- 2 Wijayanto, "Mengukur Tingkat Korupsi" in book Wijayanto & Ridwan Zachrie (ed), 2009, Korupsi Mengorupsi di Indonesia, Jakarta: Gramedia Pustaka Utama, 62-63



light" on the danger situation<sup>3</sup>. The problem of corruption relating to the management of the environment and natural resources, is an important issue that should be of great concern to the people. Center for people empowerment in governance (CenPeg) states that developing countries (in this case Indonesia) is very dependent on extractive industries, such as mining, logging, and resource exports, the industry is familiar with cases of corruption<sup>4</sup>. So with determination of the environment natural resources over time becomes an increasingly valuable asset in ensuring the survival of human life on planet earth, is requires great care and concern for all parties to maintain and develop the existence and preservation of natural resources. West Sumatera Province in demography is dominated by the minangkabau society, with the philosophy of life base on Adat Basandi Syara', syara' basandi Kitabullah (ABS-SBK)<sup>5</sup>. Unfortunately, this becomes a big problem if in fact, corruption behaviour and other deviant acts become part of the content in mass media<sup>6</sup>.

Press release made by the high court of West Sumatra (Kajati Sumbar) about data of handling and resolving of corruption cases in its jurisdiction that was submitted on February 11, 2011, shows that Kajati Sumbar until February 10, 2011, only had succeeded in saving dealt with state finances amounting Rp.2.975.460.000, - from a loss of Rp.29.710.653.690, - out of the 51 cases it handled<sup>7</sup>.

West Sumatra Police chief Brig Pol.Wahyu Indra recognizes

3 In Introduction by Mochtar Pabottingi, "Arah Skalpel Atas Korupsi", in Saldi Isra, 2009, *Kekuasaan dan Perilaku Korupsi*, Jakarta: PT.Kompas Media Nusantara, xi

4 Ibid.Hal.244

5 In writing about the identity of the Minangkabau, Mochtar na'im said that the philosophy of life minang source is taught by nature and nature is through the law of cause and effect is relatively certain and sustainable and very rational. The concept of ABS-SBK actually the crystallization of the doctrine of natural law in the form of sunatullah it. Custom is custom patterned and entrenched, while syarak are provisions behavioral patterns of life that comes from above. By contiguity with Islam, which is a custom pattern and entrenched habits that inevitably have to go through the cleaning process of the elements of shirk, superstition and heresy contrary to Tauhid and Islam. See Mochtar Na'im, "Dengan ABS-SBK Kembali ke Jati Diri", makalah dalam buku CH.N.Latief Dt.Bandar, Fasli Djalal dkk (ed), 2004, *Minangkabau yang Gelisah*, Bandung: CV.Lubuk Agung, 47-48.

6 see local newspaper Padang Ekspres, Singgalang

7 Source: <http://kejati-sumbar.go.id>,



that a lot of disputes are parsed with the police and national land agency (BPN) in West Sumatra. Based on reports of a police chief of West Sumatra almost all districts / cities are potential area for land disputes, in the some at community conflict with investors, government or the community<sup>8</sup>.

## 2. Literature Review

Corruption etymologically comes from word "corrupt" meaning bad, corrupt and rotten. Corruption also originated from the latin word *corrumpere* and *corruptio* meaning bribery and corrupt. The term was later used in various foreign languages, such English into corruption, in Netherlands *corruptie* and in Indonesia corruption. This is futher elaborate in the book "Education for Higher Education of Corruption", in which it mention that corruption can be divided into three levels. First, corruption in the sense of an act of treason against the trust (betrayal of trust). At this level all of those who has betrayed or betray the trust or the trustee has received can be categorized as a corruption. At the Second level, corruption in terms of all acts of abuse of power , although the agency is not material gain. At this level of corruption relating to the structure of power, both at the state and other structural institutions, including educational institutions. Third, in terms of all forms of corruption or abuse of power to gain material (material benefits) that are not right. Corruption at this level is the most dangerous because it involves a level of power and material gains<sup>9</sup>.

Assumption of this research is that corruption through the abuse of a public office for private material gain. Klitgaard said that the boundaries of corruption is difficult to formulate and depending on customs and local laws<sup>10</sup>. This means that basic reference of corruption cases in this study was also taken from the definition of corruption that existed in the legislation in force in Indonesia.

8 Padang Ekspres News Paper, Friday, March, 9, 2012, 15-16

9 Karlina Helmanita dan Sukron Kamil, 2011, Pendidikan Antikorupsi di Perguruan Tinggi, Jakarta : CSRC UIN Syarif Hidayatullah, 29

10 Robert Klitgaard, 1998, Membasmi Korupsi, Jakarta: Yayasan Obor Indonesia, xix-xx

According to a legal perspective, the definition of corruption has been described explicitly under the 13 pieces of articles in law No.31 year 1999 and law No.20 year 2001. Based on these articles, corruption can be further divided into thirty type of corrup action. The thirty type of corruption can basically be grouped as follows; state financial loss, bribery, embezzlement in office, extortion, manipulation, conflict of interest in procurement and gratification.

According to Elwi Danil; issue of corruption is deeply rooted in the nation and state of Indonesia. Corruption is not only harming the state, but has also destroyed the order of the nation and state, so that conditions in Indonesia has concerns of the international community. This is because corruption has led to poverty and social inequality with Indonesia in the society because most people can not enjoy the rights that he should get. Furthermore, because the corruption has been progressing and growing so rapidly, then the problem is no longer a matter of law merely, but corruption is perceived as a violation of social and economic rights as part of human rights. Fourth, because of discriminatory treatment in law enforcement corruption, and because corruption is no longer just associated with the public sector, but is becoming a collaboration and integral relation between the public sector with the private sector<sup>11</sup>.

From the case and the object of the research above, there are two interesting things to note significant for this study. First is the case of corruption involving public officials with all authority, especially when an individual who has great authority to decide on a policy. As Lord Acton said, power tends to corrupt, absolute power corrupts absolutely, and the second is the issue of land, which we understand is a valuable asset over time.

Furthermore, case Mark up the prices of land acquisition for construction of PLN office building on Rayon Kuranji in Padang, which were analyzed in this paper also uses the basis thought as said by Jeremy Pope, because the case related to procurement

11 Elwi Danil, 2011, *Korupsi, Konsep, Tindak Pidana dan Pemberantasannya*, Jakarta: RajaGrafindo Persada. 76-77

involving public officials. According to Pope, the principles of the procurement of goods and services to be a fair and efficient are<sup>12</sup> : procurement of goods and services must be efficient, the decision on the winner needs to be fair and impartial, the procurement process should be transparent, the procurement process should be efficient and accountability is an important thing.

The Following argument would be, how corruption has tarnished the procurement of goods and services according to Pope and cause concerns for buyers and sellers. Such as when the contract is still undecided, the buyer may: formulate specifications so that the tender is won by certain chosen suppliers; hide information about the opportunity to get a contract, said there was an urgent situation as an excuse to point directly contractor without competition; violation necessity keep deals are included suppliers; claimed suppliers do not fulfill through the pre-qualification requirements that are not clear and accepting bribes<sup>13</sup>. With respect to the handling and prevention of corruption, Fredrik Galtung states that integrity is a function of the interaction between accountability, competence and ethics<sup>14</sup>. The concept of integrity become very important when discussing these cases, especially when associated to the prevention of corruption on similar cases (mark up the price of land) so they are not repeated.

### 3. Methodology

This study used a qualitative approach with the type or research on the cases studied. The focus of the research is a case of corruption in land management (Marking up rates in the procurement of land for construction of Office Building PLN Th Rayon Kuranji 2007 Padang City). Data was collected by interviewing prosecutors and judges who are informed about this case, also through the study of the documentation. Analysis of data is done by making descriptive case description-narrative. To keep reliability of data, the

12 Jeremy Pope, 2007, Strategi Memberantas Korupsi, Elemen Sistem Integritas Nasional, Jakarta: TI dan Yayasan Obor Indonesia, 377

13 Ibid. 382

14 Bakaruddin lecture materials at the University of Bandar Lampung , December 2011

researchers conducted a triangulation of data by using a variety of perceptions to clarify meaning, verify the possibility of repetition from a observation or interpretation.

#### **4. Research Result**

Research results found that the stages of implementation of the work for land acquisition office district Kuranji was not executed as it should be and not in line with the decision of the Directors of PT PLN No.100.K/010/DIR/2004 dated June 7, 2004 on Guidelines for Procurement of goods and services in the PT.PLN. and the decision of the board of directors of PT PLN Persero no.200.K/010/DIR/2004 on 28 September 2004 on the procurement guidelines description of goods / services in the PT PLN (Persero) and predefined criteria, such as field surveys, pricing own estimates (HPS). Whereas the setting goals HPS is functioning as a reference or an upper limit in evaluating offering price of goods and services with the aim to obtain a reasonable price. Not executed and excluded other procurement committee members, and the most essential the first defendant has suggested land purchase second defendant, the defendant should have not approve the purchase of land defendant 2, because at that time the defendant 2 has not had a certificate on the land that was to be purchased.

Whereas actions of the defendant violated the provisions of Section 3 paragraph 1 of the Law No.17 of 2003 on state finances; direction decisions PT.PLN number 100.K/010/DIR/2004 dated 07 June 2004 on guidelines for the procurement of goods and services; and chapter III direction decisions PT.PLN points 3.1.5 No.200.K/010/DIR/2004 dated 24 September 2004 on the procurement guidelines description of goods / services in the PLN. Predefined criteria such as field surveys, determining where in chapter III point 3.5.1 on preparation of the estimated price its own (HPS) has been determined as follows :

HPS created / drafted carefully by using data / reference base and considerations include a combination of :

- a. Procurement documents (specification/work plan and term of reference)
- b. Local prices at the time of preparation of HPS
- c. Contract prices for similar goods or local employment are or have been implemented
- d. Analysis of the relevant unit price jobs
- e. Price list and rates from authorized institutions; unit cost information released officially by the central bureau of statistics or mass media electronic or other authorized institutions.
- f. Calculation of the cost estimated by consultants/engineers estimated (EE)
- g. Price list/tariff on goods/services issued by the association of manufacturer/sole agent or any other authorized institutions, both on central and local levels.

The deeds of defendants one punishable as provided article in 3 and Article 18 paragraph (1) letter b of law 31 year 1999 on the eradication of corruption as amended and added by law no.20 year 2001 on corruption jo article 55 paragraph (1) to the first book of statute of criminal law (KUHP). Due the deeds of defendants who had enriched themselves illegally, the state has been harmed by an amount of Rp.291.000.000,-(two hundred ninety one million rupiah). Finally, the two defendants in this case is given criminal suction of each 1 year, penalty Rp.50 million, 3 months-sub compensation Rp.85.500.000,- defendant 1 and Rp.60.500.000,- for th second defendant.

If viewed by the definition of integrity given by Galtung, the fact that the first is bureaucratic, (as chairmen of the committee procurement of goods and services), and did not involve other members in the procurement process. Attitude integrity is reflected from the interaction between accountability, competence and ethics. Accountable attitude in this case violated the defendant 1 by ignoring other procurement comittee members in the process

of consideration. It means that interaction between s chairman of procurement committee with land providers (defendant 2) are not accountable, which making a certain deal with the positions held. Principles of competencies as well not exist, which should a bureaucratic run the process according with the rules.

Results of this study are convicted criminal act of corruption corrupt caused by a desire to enrich themselves, by utilizing the public position they are entrusted with and working to use the country's finances for their own personal benefit.

## 5. Conclusion

This research notes that one of the many reasons of corruptive behavior is the desire to enrich oneself, through the usage a public position for private gain and other people. The defendant position in current corruption case regarding to procurement of land for construction of The PLN office building in Rayon Kuranji deviate from the principle of accountability and violates ethical values, because using their public position to choose suppliers, and then set their own prices is illegal. Thereby causing losses to the state and the integrity of PLN as an institution, which could result in their services being disturbed.

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# Mainstreaming Human Rights In Anti-Corruption Education: The Implementation of The United Nations Convention Against Corruption

Nukila Evanty

## Abstract

*Indonesia has ratified the United Nation Convention Against Corruption (UNCAC) through Law No. 7 Year 2006 which is mainstreaming human rights on development, accordingly, it requires to alter anti-corruption education strategy in Indonesia. The National Education System Law No. 20 Year 2003 article 3 in general stipulates that national education has the function to develop and construct the character and civilize a Nation through education on the respect to human rights. However, corruption continues to be endemic in Indonesia as the obstacle in economic development, social, and culture of the Nation. The purpose of this paper is to demonstrate the importance of mainstreaming human rights in anti-corruption education and having the efforts from education institutions to integrate The United Nations (UN) covenants in education. This paper observes and analyse legal documents, through which Indonesia has enacted many laws to eradicate corruption for example, Law No.30 Year 2001 on Eradication of Corruption. Furthermore, Indonesia has ratified International Covenant on Economic, Social and Cultural Rights (ICESCR) through Law No. 11 Year 2005 and International Covenant on Civil and Political Rights (ICCPR) through Law No.12 Year 2005 and United Nations Convention against Corruption (UNCAC) through Law No. 7 Year 2006. Thus, law is conceptualized as the norm and guidance for human behaviour. This paper defines corruption as a key issue in Indonesia. Anti-corruption education is a preventive measure to eradicate corruption by giving awareness to the people. The Ministry of Education has been developing anti-corruption curriculum from elementary school to university recently, however the findings found that first, it requires the participation of education institutions and centre for research in integrating anti-corruption education based on the standard of UN Covenants and mainstreaming human rights, second, it requires appropriate substance for integration in academic module on mainstreaming human rights so that implementation of UNCAC will be achieved gradually. This paper concludes that in order to be effective on anti-corruption education, mainstreaming human rights and UNCAC shall be initiated from elementary school to university and the national laws implementations should be in accordance with the spirit of UNCAC in eradicating corruption.*

**Keywords: Rights, UN Covenants, Anti-Corruption Education**



## 1. Introduction

In Indonesia where corruption has become endemic, the evidence shows the inferior position of Indonesia in the *Corruption Perception Index/CPI*. Transparency International (TI)<sup>1</sup> announced that Indonesia was placed at position 118 from 176 states in CPI 2012.<sup>2</sup> Indonesia scored is 32 and was at the same position as Dominican, Ecuador, Egypt, and Madagascar. Regionally compared to other ASEAN countries, Indonesia is below the rank of Singapore, Brunei Darussalam, Malaysia, Thailand, Philippines and Timor Leste. Other example of ASEAN standards comprise/include Vietnam with the CPI score 31 and rank 123, Myanmar with the CPI score 15 and rank 172<sup>3</sup>. Michael Buehler affirms that corruption is rampant in Indonesia and converges in education sector. It is range from practises of bribery in the attainment of a kindergarten permit at the Ministry of Education to arbitrary risings of university tuition fees. The government has not addressed the root causes of systemic corruption within the bureaucracy.<sup>4</sup>

Corruption has dispersed to many sectors in society. Consequently many people cannot get benefit from the distribution of the economic wealth, on another hand, some people enjoy economic prosperity from corrupt conducts. Moreover, some people

- 1 Zoe Pearson, Corruption and Anti-Corruption, an International Human Rights Approach to Corruption, in Peter Larmour and Nick WolanIn (Eds.), Asia Pacific Press, Canberra 2001, pp.38-39 .Transparency International has had a big influence on increased action in the international arena in the fight against corruption. Transparency International's approach is to establish national, regional and global coalitions, with the contribution of stakeholders such as the state, international institutions, civil society and the private sector, to combat for corruption. The Corruption Perceptions Index (CPI) has been developed by Transparency International which provides an indication of the corruption level believed to happen within countries. The CPI has been described as a 'poll of polls' and draws upon a big number of independent organisations' surveys of expert and general public perspectives of the extent of corruption in many countries in the world.
- 2 See Transparency International Corruption Perceptions Index 2012, [http://www.ey.com/Publication/vwLUAssets/2012\\_TI\\_CPI/\\$FILE/2012%20TI%20CPI.pdf](http://www.ey.com/Publication/vwLUAssets/2012_TI_CPI/$FILE/2012%20TI%20CPI.pdf), accessed March 8, 2013
- 3 Indeks Persepsi Korupsi Indonesia Masih Buruk, <http://www.tempo.co/read/news/2012/12/06/078446210/Indeks-Persepsi-Korupsi-Indonesia-Masih-Buruk>, accessed March 8, 2013
- 4 Michael Buehler, Countries at the Crossroads 2012:Indonesia, available at :<http://www.freedomhouse.org/sites/default/files/Indonesia%20-%20FINAL.pdf>

are living in poverty.<sup>5</sup> This is a reflection of widely infringed human rights. Meanwhile, Indonesia has assured human rights in The 1945 Constitution, the laws and ratifications of international human rights covenants<sup>6</sup>. Hence, the protection of human rights is necessary to be defended by society, including the education institution. Previously, Law No. 30 Year 2002 on the Indonesian Corruption Eradication Commission (*Komisi Pemberantasan Korupsi-KPK*) classifies corruption as an extraordinary crime because corruption is widely and systemic, and it violates the rights of the people.<sup>7</sup> Law No. 20 Year 2003 on National Education System in article 3 in general stipulates that national education has the function to develop and construct the character and civilize a Nation through education. A memorandum of understanding (MOU) was signed among the Ministry of Education and the Corruption Eradication Commission (KPK) in March 2012 which involves coordination on anti-corruption education and a pledge to various exchanges related to information sharing, graft control and public complaints.<sup>8</sup> There is also Presidential Decree No. 55 Year 2012 on the National Strategy on Corruption Prevention and Eradication 2012-2014 (short term) and 2012-2025 (long term) which integrates strategies

5 Eric Chetwynd, Frances Chetwynd, Bertram Spector, *Corruption and Poverty: a Review of Recent Literature*, Management Systems International, 2003, p.6, <http://www.eldis.org/vfile/upload/1/document/0708/doc14285.pdf> , accessed March 8, 2013

6 Indonesia is party to eight core United Nations (UN) human rights conventions as follows; 1) International Convention on the Elimination of All Forms of Racial Discrimination (CRD), 2) Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), 3) Convention on the Rights of the Child, (CRC), 4) Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT), 5) International Covenant on Civil and Political Rights (ICCPR), 6) International Covenant on Economic, Social and Cultural Rights (ICESCR), 7) Convention on the Rights of Persons with Disabilities (CRPD), 8) International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (CMW), available at <http://www.ohchr.org/EN/countries/AsiaRegion/Pages/IDIndex.aspx>.

7 See Elucidation of Law No. 30 Year 2002 available at, <http://ibau.bappenas.go.id/data/peraturan/Undang-Undang/UU%2030%202002.pdf>.

8 See Pendidikan Anti Korupsi (Anti-Corruption Education), <http://www.dikti.go.id/?p=2216&lang=id> accessed March 8, 2013.

on anti-corruption in education and culture.<sup>9</sup> The President of the Republic of Indonesia has also instructed The Ministry of Education on incorporating anti corruption education to university curriculum through with Presidential Instruction No. 17 Year 2011.<sup>10</sup>

The paper analyses the legal rules as sources of law since Indonesia has ratified many laws regarding eradication of corruption and how to mainstream human rights values explicitly in the laws to anti corruption education.<sup>11</sup> The paper examines library research, the primary sources are The United Nations Convention against Corruption (UNCAC) in Law No. 7 Year 2006, International Covenant on Economic, Social and Cultural Rights (ICESCR) in Law No. 11 Year 2005 and The International Covenant on Civil and Political Rights (ICCPR) in Law No.12 Year 2005, Law No.30 Year 2001 on Eradication of Corruption, Law No. 30 Year 2002 on the Indonesian Corruption Eradication Commission as the guidelines to examine whether anti-corruption education has integrated yet these considerations.<sup>12</sup> The secondary sources are books, legal and policy documents, journals, internet sources which were compiled and analysed in relevant with anti-corruption education.

The paper explores how to mainstream human rights and United Nations Convention against Corruption (UNCAC) in anti-corruption education in order to be effective. The paper is divided into 6 (six) discussion, first, introduction, second, anti-corruption education campaign, third, human rights and their relation with anti-corruption, fourth, mainstreaming human rights in anti-corruption

9 Presidential Decree No 55 Year 2012 Annex National Strategy on Corruption Prevention and Eradication 2012-2014 and 2012-2025, March 2012, (English translation by UNODC). The objective of anti Corruption Education and Culture: strengthening each individual in making ethical decisions with integrity, as well as to create a culture of zero tolerance towards corruption. The public is expected to play its active role in preventing and eradicating corruption thereby enabling themselves to affect ethical decisions with integrity in their surroundings, greater than his/herself.

10 See Presidential Instruction No. 17 Year 2011 on the Prevention and Eradication of Corruption 2012

11 Paul Chynoweth, *Legal Research in the Built Environment: a Methodological Framework*, Research Institute for the Built and Human Environment, University of Salford, Wiley-Blackwell, UK, 2008 p.672 available at: [http://usir.salford.ac.uk/12467/1/legal\\_research.pdf](http://usir.salford.ac.uk/12467/1/legal_research.pdf)

12 Ibid, p.673.

education, fifth, the implementation of The United Nations against Corruption (UNCAC); and sixth, the conclusion.

## 2. Anti-Corruption Education Campaign

Anti-corruption education is significant to maintain, even though superficial results are reached. Accordingly, anti-corruption education that may guide us to transform as institutional reforms is gradually carried out later.<sup>13</sup> Anti-corruption education is a prevention measure which aims but also to deter corruption before it happens besides that, to alter the corruption culture in a society through transparency and public participation.<sup>14</sup> The rationale of anti-corruption education is to construct values and develop aptitude necessary to develop students public position against corruption.<sup>15</sup> For instance, it is not easy to understand the problem of corruption without deliberating initially on the function of public service, moral and legal requirements for public servants. Besides that, anti-corruption education is not just about teaching; it is about providing information as well as significant concepts and values that may be communicated while deliberating on other subject<sup>16</sup>. For instance, an educator can present information on the education aid topic such as Bantuan Operasional Pendidikan (BOP- Education Programme Aid) and Bantuan Operasional Siswa (BOS - Students Education Aid) which are supposed to be enjoyed and accessed openly by students.

13 Colum Graham, Educating Against Corruption at <http://devpolicy.org/educating-against-corruption/> a comment from Phillip Rekdale, an Australian who's been fighting corruption in Indonesian education, September 4, 2012, Development Policy Centre, Crawford School of Public Policy ANU College of Asia & the Pacific.

14 See UNCAC art. 5-14 (oulining the preventative measures and roles of public and private officials and institutions in preventing and fighting corruption. UN Convention against corruption GA Res 58/4 U.N Doc A/Res/58/4 (Oct 31, 2003) hereinafter UNCAC, the convention has 140 signatories. It is lauded in the international community for being the first international anti-corruption instrument with an asset recovery provision, often considered a key ingredient lacking in other anti corruption strategies.

15 Anti-Corruption Studies in General Education School, methodical material for general and higher education schools, Modern Didactics Centre , Ministry of Education and Science of the Republic of Lithuania, 2006 p.18

16 Ibid, p.19

Anti-corruption education could be formal and informal.<sup>17</sup> The elements of anti corruption education could be incorporated in the curricula of general education at the formal level<sup>18</sup> while, extra-curricular scheme activities could be supported such as, honest school cafeteria (kantin kejujuran),<sup>19</sup> civil campaigns, student seminar and other events at informal level. The key objective of anti-corruption education is to construct public awareness. Therefore the most positive situation for that are social disciplines, including public education, law, history, political science and ethics. It is unavoidable to implement multidisciplinary approach such as legal, political, historical and economic term.<sup>20</sup> Many Indonesian experts are of the opinion that anti corruption education should be included national curriculum of moral and religious education, civics modules, education on Pancasila (five pillars) which the Indonesian state was founded in particular on social justice.<sup>21</sup> However, mainstreaming human rights in anti-corruption education will give broader knowledge to be responsive to right of the people in development and to be effective on anti-corruption efforts.

### **3. Human Rights And The Relation With Anti-Corruption**

Human rights discourse in Indonesia is personified in the Second Amendment of 1945 Constitution in chapter XA (Articles 28A-28J on Human Rights). It includes numerous categories of human rights that cover most of the rights guaranteed in the Universal Declaration

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<sup>17</sup> Ibid.

<sup>18</sup> Paramadina University has been led in integrating anti-corruption in its curriculum since June 2008, <http://www.seputar-indonesia.com/edisicetak/content/view/456103/> accessed March 9, 2013

<sup>19</sup> Honest School Cafeteria or Kantin Kejujuran is developing by some basic schools until high schools in many regions in Indonesia which the students can take any goods in the Cafeteria and pay it based on the price list on each goods in one bowl or box without any supervision. In Bandung, there are around 30 kantin kejujuran at high school, <http://www.infobdg.com/v2/kantin-kejujuran-simbol-antikorupsi-kini-tersebar-di-30-sekolah-di-kota-bandung/> accessed March 8, 2013

<sup>20</sup> Anti-Corruption Studies in General Education School, methodical material for general and higher education schools, 2006, supra note, p.19

<sup>21</sup> See, <http://www.tp.ac.id/tag/manfaat-mempelajari-pendidikan-anti-korupsi>, accessed March 9, 2013

of Human Rights (UDHR)<sup>22</sup>, the International Covenant on Civil and Political Rights (ICCPR), the International Economic, Social and Cultural Rights (ICESC) and the ratifications of the United Nations covenants.<sup>23</sup> ICCPR contains freedom of movement, thought, and expression, freedom from arbitrary arrest, the right to equal protection before the law, and the right to peaceful assembly and association rights and others.<sup>24</sup> ICESCR contain rights in the socio economic field such as right to an adequate standard of living, right to education, right to health, to protection and assistance for family, the rights to work, right to food, right to shelter, and others.<sup>25</sup> States<sup>26</sup> are the principal duty bearer of human rights so that Indonesia, as a Member States of the United Nations, is bound to respect, protect and fulfil the rights granted in ICCPR and ICESCR at the national level. Thus, two part covenants should not be translated to create rights hierarchy or imply a rigid dichotomy amongst human rights.<sup>27</sup> In practice, one set of human rights cannot be importantly protected in isolation of the other. For instance, protection of civil and political rights generally provides to develop the prospects of the fulfilment of economic and social right, and vice versa.<sup>28</sup> Numerous documents signed under the support of the United Nations, and regional organisations have recognized the negative effects of corruption

22 <http://www.un.org/en/documents/udhr/index.shtml> . UDHR declaration sets down fundamental human rights to be universally protected, comprises of 30 articles which have been elaborated in subsequent international treaties, regional human rights instruments, national constitutions and laws.

23 The status of Indonesia ratification, <http://www.ohchr.org/EN/countries/AsiaRegion/Pages/IDIndex.aspx>

24 For a full list of CP rights, <http://www2.ohchr.org/english/law/ccpr.htm>.

25 For a full list of ESC rights, <http://www2.ohchr.org/english/law/cescr.htm>

26 State, here, refers to those having public authority, and by extension duty bearers of human rights. Human rights obligations apply to all branches of the government (executive, legislative and judicial) at all levels (national, regional and local). According to human rights jurisprudence, an act (or omission) is attributable to the state when committed, instigated, incited, encouraged or acquiesced in by any public authority or any other person acting in an official capacity.

27 Pearson, *supra* note, p. 44

28 United Nations, Human Rights Council Resolution A/HRC/11/6 18 May 2009 on Promotion and Protection of all Human Rights, Civil Political, Economic, Social and Cultural Rights including the Right to Development, available at, <http://www2.ohchr.org/english/bodies/hrcouncil/docs/11session/A.HRC.11.6.pdf>

on human rights.<sup>29</sup> Some international documents even considered corruption a crime against humanity, while, the UN treaty bodies and special procedures have commented on the inability of states to comply with human rights obligations because of corruption.<sup>30</sup>

One of the most fundamental movements of human rights, and consequently of a rights-based approach, is that every human being is a rights-holder and every human right has a corresponding duty-bearer.<sup>31</sup> A human rights-based approach (HRBA) categorises *rights-holders* and their entitlements and parallel with *duty-bearers* and their obligations, and acts towards strengthening the capacities of rights-holders to make their claims and of duty-bearers to meet their obligations. A rights-holder is entitled to rights, to claim rights, to hold the duty-bearer accountable and has a responsibility to respect the rights of others. Consequently, those who have the obligation to respect, protect, and fulfil the rights of the rights-holder are duty-bearers. The overall responsibility to meet human rights obligations rests with the state. This responsibility includes all the organs of the state such as parliaments, ministries, local authorities, judges and judicial authorities, police, teachers or extension workers.<sup>32</sup> Demanding accountability does not simply involve conflict with the state. States may infringe rights because of lack of awareness, knowledge or capacity, thus approach based on dialogue and awareness may be more constructive and powerful than confrontation.<sup>33</sup> Human Rights regulation are stem of the international covenants, conventions and declarations defining the

29 UN Convention against Corruption adopted by the General Assembly in its resolution 58/4 of 31 October 2003.

30 States face serious problems of corruption, which have negative effects on the full exercise of rights covered by the Covenant [ICESCR], E/C.12/1/ADD.91 (CESCR, 2003, para.12); or, by the Committee on the Rights of the Child, which states that it "remains concerned at the negative impact corruption may have on the allocation of already limited resources to effectively improve the promotion and protection of children's rights, including their right to education and health" ,CRC/C/COG/CO/1 para 14.

31 Frequently Asked questions on a Human Rights Based Approach to Development Cooperation, Office of the United Nations High Commissioner for Human Rights, New York and 2006, p.15

32 Corruption and Human Rights: Making the Connection, International Council on Human Rights Policy, Geneva, Switzerland, 2006, p.24

33 Ibid.pp.25-26



rights, standards, and mechanisms of protection, through which states commit themselves to respect, protect and fulfilment the rights of each and every individual.<sup>34</sup> HRBA redefines the problem of corruption and suggests new solutions. It asserts that the fight against corruption cannot be effective unless it includes people at the heart of fight against corruption, particularly, those who suffer the most from its costs. Hence, institutional reforms only change the opportunities and alternatives that corrupt officials have, but human rights based approach means engendering reform from under side by taking into consideration the vulnerability and participation of common citizens in the battle against corruption.<sup>35</sup>

There are several benefits of adopting HRBA in anti-corruption education. One main advantage is that instruments of human rights can provide an additional mechanism to fight corruption, particularly when the acts of corruption are connected to human rights violation.<sup>36</sup> It is not surprising that many corruption cases involve gross human rights violations by public officials. This may be challenged and prosecuted using various instruments of human rights. For example, it violates the right to education, when families living in poverty have to pay a bribe to send their children to school or many will prioritise the education of their son children at their daughters' expense, for religious, socio-cultural or economic reasons ( Articles 13 and 14 of the ICESCR and Article 28 of the Convention on the Rights of the Child (CRC), this case can be prosecuted through national, regional or even international human rights complaint procedures.<sup>37</sup> When States sign or ratify a human rights treaty, thus, they must perform the treaty obligations "in good faith" (*pacta sunt servanda*) and acknowledge the responsibility to

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34 Idowu Mopelola Ajibade , Mainstreaming Human Rights into Anti-Corruption: A Strategy for Protecting Vulnerable Groups in Nigeria from Double Jeopardy, University of Western Ontario, working papers series 2008,p.14

35 Ibid.

36 Ibid. p.15

37 Corruption and Human Rights: Making the Connection, 2006, supra note pp.55-56



protect, fulfil, and promote human right.<sup>38</sup> When they fail, by each omission or commission in the performance of such duty, the States can thus be held accountable by the right-holders whose rights have been violated. Various mechanisms of redress that exist at national and international level go further to strengthen the idea of accountability for rights violations. Several international conventions have created the opportunity for individuals or groups of individuals to bring a complaint to an international monitoring body alleging a violation of human rights.<sup>39</sup> The relation between human rights and corruption on the postulation that, if corruption happens where there is tendency and opportunity, human rights approach's may improve to lessen opportunities for corrupt actions and make it more likely that those who are corrupt are caught and correctly sanctioned.<sup>40</sup> Human rights concede gender perspective and offer the course aspects for anti-corruption policies in its model and implementation. If corruption is shown to violate human rights, this will persuade public consider meaning. If people become more aware of the damage of corruption to public and individual interests and the harm of corruption, they are more likely to support

38 International Human Rights Law and the Role of the Legal Professions; a General Introduction, in Human Rights in the Administration of Justice: A Manual on Human Rights for Judges, Prosecutors and Lawyers, Office of the High Commissioner for Human Rights (OHCHR) with the International Bar Association, New York and Geneva, 2003 p.7, <http://www.ohchr.org/Documents/Publications/training9chapter1en.pdf>, accessed March 9, 2013

39 Corruption and Human Rights: Making the Connection, 2006, pp. 66-67. There are two United Nations mechanisms of protection are particularly relevant for anticorruption advocates which are the treaty bodies and the special procedures. The most useful special procedures is the UN Special Rapporteur on the promotion and protection of the right to freedom of opinion and expression. The Treaty-based mechanisms are committees created under the terms of international human rights treaties to supervise and monitor compliance with those treaties. They include the Human Rights Committee, the Committee on Economic, Social and Cultural Rights, and the Committee on the Rights of the Child. Most human rights treaties include a system of periodic reporting. For example, Indonesia as the State Party of UNCAC, ICESCR, ICCPR and CRC is obliged to report periodically to a supervisory body on measures it has adopted to implement the treaty's provisions.

40 Berihun Adugna Gebeye, Corruption and Human Rights: Exploring the Relationships, working paper No.70, human rights & human welfare, 2012, p. 19, <http://www.du.edu/korbel/hrhw/workingpapers/2012/70-gebeye-2012.pdf>, accessed March 9, 2013

campaigns and programmes to prevent it.<sup>41</sup> Recognizing the specific links between corruption and human rights may persuade key stakeholders such as public officials, parliamentarians, judges, prosecutors, lawyers, the public and so on to undertake a stronger stand against corruption.

A rights-based approach to anti-corruption must take into account the following elements:<sup>42</sup> (1) Open access to information and decisiveness in combating corruption; (2) Government support for judicial independent and impartially an fairness on impartial and fair in settlement of corruption cases; (3) Anti-corruption role types should be promoted and anti-corruption agencies should work with influential individuals, who can present as role models of integrity and representation above mechanisms have the potential to assist victims of corruption of moral and to promote positive figure of national anti-corruption programs; (4) Submission of petitions from individuals and corporate bodies should be encouraged to report alleged or actual breaches of code of conduct, bribery, embezzlement, and illicit enhancement to the appropriate anti-corruption agency; (5) Promotion of Transparency and accountability in political systems and institutions must be promoted. Litigation is a good starting point for organisations that seeks to reduce the impact of corruption. For example, successful lawsuit against corrupt public official sin court may get compensation for victims and establish legal precedence. It can serve to deter other criminally minded individuals; (6) Anti-corruption organisations which are independence are another important element which can embrace to give power to anti-corruption agencies to examine bank accounts and business records, seize assets and/or passports of perpetrators.

Considering HRBA to corruption emphasise the fact that corruption is more than just misuse of money or abuse of power. Corruption also has deleterious effects on people, which can lead to breaches of human rights.

<sup>41</sup> Corruption and Human Rights: Making the Connection, 2006, p.69

<sup>42</sup> Idowu Ajibade, 2008, supra note, pp. 16-17

#### 4. Mainstreaming Human Rights In Anti-Corruption Education

Human Rights violation could be integrated in anti-corruption education which are morally wrong and harmful to individuals and prohibited by international human rights law.<sup>43</sup> For example, the insinuation of corrupt practices that disadvantageous to the population, corruption in education which provides palpable and direct relation to human rights and the cases which do not so perceptibly impair individuals.<sup>44</sup>

To mainstream human rights in anti corruption education, it may be relevant to use;

- (1) Victim's perspectives. The most vulnerable victims are the poor and the political marginalized if there is a fail in state finance and economy. The poor and vulnerable groups, disabled, indigenous people, ethnic minorities, AIDS victims, and women could not live adequately and the children would not get appropriate education.<sup>45</sup> Corruption affects the rights of the vulnerable, palpably due to an inability to pay bribes, but substantively through exacerbating inequalities and denial of access to justice. Corruption has varying impact on different categories of disadvantaged groups, for example, in the case of HIV/AIDS victims, many of those living with the disease have testified to paying bribes to public health officer before securing access to anti-retroviral medicines.<sup>46</sup> This perspective is intended to identify and overcome obstacles for instances on language differences, cultural beliefs, racism and gender discrimination that make such people vulnerable to corruption.<sup>47</sup>
- (2) Public participation. There are two legal articles that guaranteed

43 Ellie Keen, Fighting Corruption through Education, Constitutional and Legal Policy institute, COLPI paper No. 1, HREA-Human Rights Education Associates, Open Society Institute, Hungary, 2007, p. 23

44 Ibid.

45 Ursula Grant and Rachel Marcus, Background paper for the Chronic poverty report 2008-09, Chronic poverty and PRSPs, a desk study, p.17, available at [www.chronicpoverty.org](http://www.chronicpoverty.org)

46 Ibid.

47 Ibid p.6

this, first article 41 Law No. 31 Year 1999<sup>48</sup>, and second article 13 UNCAC<sup>49</sup>, have ensured public participation which public has been given legal mandate to confer their social contribution to cooperate with legal enforcers in combating corruption or, in wide term, to enhance good government. Public participation that includes civil society organization(CSOs), non-governmental organization (NGOs), academic and mass media can be actualized by activity controlling, monitoring, and conceptual suggestion and so on. The ethical consequence on the public participation is the effective implementation of UNCAC, the UN Covenants on human rights and Law No. 13 Year 2006 on witness and victim protection.<sup>50</sup> Therefore, to curb the menace of corruption entails complete and multiple approach of different groups in the society the requirement to work in coordinated manner. It is pertinent to modify anti-corruption strategy such that they become compatible with human rights standards. In addition, such strategy shall neither be easily influenced by ill-intentioned leaders, nor function in ways that could adversely affect the rights of those involved, for example, perpetrators, witnesses, whistle-blowers and anti-corruption activists.<sup>51</sup> HRBA is able to recognise poverty

48 Law No. 31 Year 1999 Regarding Eradication of Criminal Acts of Corruption Chapter V, Public participation, Article 41 (1) The public shall be able to participate in assisting efforts in the prevention and eradication of corruption, available at: [http://publicofficialsfinancialdisclosure.worldbank.org/fdl/sites/fdl/files/assets/law-library-files/Indonesia\\_Corruption%20Eradication%20Law\\_1999\\_en.pdf](http://publicofficialsfinancialdisclosure.worldbank.org/fdl/sites/fdl/files/assets/law-library-files/Indonesia_Corruption%20Eradication%20Law_1999_en.pdf)

49 Article 13 Participation of society;

(1) Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption;

(2) Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including anonymously, of any incidents that may be considered to constitute an offence established in accordance with this Convention.

50 Law No. 13 Year 2006 on witness and victim protection, available at: <http://www.komisiinformasi.go.id/assets/data/arsip/uuperlindungansaksikorban.pdf>

51 Idowu Ajibade , Background note, United Nations Conference on Anti-Corruption Measures, Good Governance and Human Rights, Warsaw, 8-9 November 2006

as injustice and include, marginalisation, discrimination, and exploitation as central causes of poverty.<sup>52</sup>

- (3) The state as the duty bearer.<sup>53</sup> The obligation to respect requires the State to refrain from any measure that may deprive individuals of the enjoyment of their rights or their capability to assure those rights by their efforts. For example, the State may not prevent, suppress or punish forms of corruption that cause or lead to violations of rights. The obligation to protect requires the State to prevent violations of human rights by third parties. The obligation to protect is normally taken to be a central function of States, which have to prevent irreparable harm from being inflicted upon members of society. If the State failed to enact appropriate legislation to prevent or punish corruption committed by private corporations or public sectors. The obligation to fulfil obliges the state to take actions to make sure that people under its jurisdiction can satisfy essential needs as accepted in human rights instruments. For instance, the State provides accessible mechanism for justice in court for public complaint.<sup>54</sup>

## 5. Implementation of UNCAC

The United Nations Convention Against Corruption (UNCAC) is the only international legal instrument to prevent and combat corruption, entered into force on December 14, 2005. UNCAC seeks to prevent and combat corruption by promoting a consistent understanding of the issue and a harmonized, effective counter-strategy.<sup>55</sup> UNCAC relies on four pillars: prevention, criminalization, international cooperation and asset recovery.<sup>56</sup> Nevertheless, UNCAC does not classify corruption. It comprises a variety of illustration of

<sup>52</sup> Applying a Rights Base Approach, an Inspirational Guide for Civil Society, the Danish Institute for Human Rights, Denmark 2007, p.9

<sup>53</sup> Frequently Asked questions on a human rights based approach to development cooperation, 2006 supra note p. 9 .

<sup>54</sup> Berihun Adugna Gebeye, 2012, supra note pp.17-18

<sup>55</sup> Issue Paper, the Role of Corruption in Trafficking in Persons, UNODC, United Nations Office on Drugs and Crimes, United Nations, Vienna 2011, p.16

<sup>56</sup> UNCAC document, art 5, 15, 43, 51.

corruption in all spheres of society.<sup>57</sup> It does this with some ranges of provisions on prevention, criminalization, law enforcement, international cooperation, asset recovery and technical assistance. It is obvious that UNCAC identifies public officials who have the role as the duty bearers in article 2 (a) as follows; (i) any person holding a legislative, executive, administrative or judicial office of a State Party, whether appointed or elected, whether permanent or temporary, whether paid or unpaid, irrespective of that person's seniority; (ii) any other person who performs a public function, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the State Party and as applied in the pertinent area of law of that State Party; (iii) any other person defined as a "public official" in the domestic law of a State Party. However, for the purpose of some specific measures contained in chapter II of UNCAC, "public official" may involve any person who performs a public function or provides a public service as defined in the domestic law of the State party and as applied in the pertinent area of law of that State party<sup>58</sup>

As the consequence of Indonesia ratified UNCAC *United Nation Convention Against Corruption resolution 58/4* through Law Number 7 Year 2006, therefore, anti-corruption education strategy requires to be modified. In addition, the Indonesia Government within the last 2 years has concluded a national strategy and an action plan on combating corruption 2010-2025 which is comprehensive and can be utilized for stakeholders in education to consolidate and integrate in the education teaching.<sup>59</sup> A stronger, strategic and comprehensive political commitment of the government to enhance combating corruption is needed. Indonesia, as a State party to UNCAC and human rights covenants, has an obligation to respect, protect and fulfil the provisions contained therein. It is under a legal duty to ensure the rights of identifiable individuals or

57 See, [http://www.unodc.org/pdf/crime/convention\\_corruption/signing/Convention-e.pdf](http://www.unodc.org/pdf/crime/convention_corruption/signing/Convention-e.pdf), accessed March 9, 2013

58 UNCAC document, art. 2 points a-c.

59 Strategi Nasional dan Rencana Aksi Pemberantasan Korupsi 2010-2025 (National Strategy and Action Plans on Combatting Corruption), Badan Perencanaan Pembangunan Nasional-Bappenas (National Plans Development Agency)

group of individuals under its jurisdiction are not compromised.<sup>60</sup> If public officials under one State bound public fund towards private ends, either by acts of commission or omission, they violate human rights. They also infringe the right to a "corruption free society"<sup>61</sup> as a component of the right to economic self-determination and the right to development of people.

A state therefore will be in violation of this right when it transfers, in a corrupt manner, the ownership of national wealth to a select few, resulting in a situation where people are denied individually and collectively their rights to freely use, exploit, and dispose of their national wealth in a manner that advances their development.<sup>62</sup> To engage for a corrupt free society is related to the Declaration on the Right to Development.<sup>63</sup> The Declaration has four main propositions: (1) the right to development is a human right; (2) The human right to development is a right to a particular process of development in which all human right and fundamental freedoms can be carefully realised; (3) The meaning of exercising these rights consistently with freedom implies free, effective, and full participation of all the individuals concerned in decision making and in the process of implementation which must therefore be transparent and individuals must have equal opportunities of access to resources for development and receive a fair distribution of the benefits of development (and income) and (4) The right confers a clear obligation on duty holders for instances, individuals within the community, communities at national level, and States at international level. Finally, Indonesia is a State party of UNCAC consequently

60 Julio Bacio Terracio, *Hard Law Connection between Corruption and Human Rights*, Geneva, 2007, [http://www.ichrp.org/paper\\_files/Julio\\_Bacio\\_Terracino\\_2007.pdf](http://www.ichrp.org/paper_files/Julio_Bacio_Terracino_2007.pdf) in Idowu Mopelola Ajibade, *Mainstreaming Human Rights into Anti-Corruption: A Strategy for Protecting Vulnerable Groups in Nigeria from Double Jeopardy*. p. 9 or see, <http://ssrn.com/abstract=1304247>

61 The right to corruption-free society is yet to be recognized in any international human rights convention, however there's a growing consensus and sufficient state practice to support a claim for an international customary law to prohibit corruption in all societies. Ndiva Kofele-Kale, "The Right to a Corruption-Free Society as an Individual and Collective Human Right: Elevating Official Corruption to a Crime under International Law" 34 *International Lawyer* 149 (2000).

62 Idowu Mopelola Ajibade, 2008, p. 12

63 The Declaration, which stated unequivocally that the right to development is a human right, was adopted by the UN in 1986 by a vast majority of States.



is demanded to eliminate corruption effectively by using its legal system as well as international law instruments relevant with anti-corruption.

## 6. Conclusion

Anti corruption education from elementary schools throughout university in Indonesia has been developed in just a normative stage but has nevertheless shown the political will of the government. There are the MOU (Memorandum of Understanding) was signed by KPK and Ministry of Education, and the strategy of anti-corruption published through Presidential Decree which included the strategy on anti-corruption in education and culture. There is a need to mainstream human rights in anti corruption education which give the efficiency on anti-corruption efforts through better recognition of the effects of corruption as breaches of human rights as provided in UNCAC, ICCPR and ICESCR.

The strategy of mainstreaming human rights in anti-corruption education may be useful to ensure the protection of vulnerable groups including the poor and to ensure that the government is accountable, transparent, and participation which are important tools for a successful and sustainable anti-corruption. The school, academic institution and centre for research, community, civil society organisation, non-governmental organisation, the media the government institution, KPK and private sector have an obligation to extend their anti-corruption efforts to the protection of human rights and can work together to exchange expertise on anti-corruption issues.

This paper does not propose human rights as the solution to the problem of corruption, but to give more effective solution for anti-corruption curriculum particularly in Indonesia context.

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I N T E G R I T Y   A N D   L A W  
E N F O R C E M E N T   I N  
C O R R U P T I O N   C A S E S :  
R U L E O F L A W A N D S O C I A L J U S T I C E

# Corruption: Human Rights Violations In Achieving Social Justice of Welfare of The Society

Sri Lestariningsih

## Abstract

*Corruption is done to enrich corruptors or others, with impacts on the economy and state finances. Nowadays, Indonesian laws an corruption focus merely on the state's financial compensation with little attention given to the negative social impact of corruption. One of the real social impact of corruption is the difficulty to achieve social justice and welfare. Due to corruption, state budgets allocate for development of public infrastructures cannot be used to their full extent. The society has the rights to achieve well-being, having basic necessities for a decent life such as food, clothing, and shelter. The right to have a decent life is the most basic human rights and it should get serious attention of the State in order to guarantee legal protection. The state is responsible for ensuring the welfare of its people in effort to achieve social justice. In that respect, law and its enforces are the front men in eradicating corruption and restoring the welfare of the society. The right to live and to live peace had been Indonesia's commitment since the declaration of Independence. They are ensured in Preamble of in paragraph 4, article 28 A, 28 C, 28 H, 33, 34 of the 1945 Indonesian constitution. One real example of corruption that can lead to the disruption of food distribution for the fulfillment of the public welfare, the corruption that was strongly indicated in the Ministry of Agriculture, which has the duty of ensuring availability of food for the community. Needs for food, such as rice, soybeans, and beef to people have not been fulfilled by the local products in Indonesia, requiring imports from other countries for the adequacy of food such acts are apparently laden with the interests of certain parties to gain huge profits from the food imports. Therefore, the state must gave its fullest attention to the eradication of corruption by focusing both an the law enforcement and the restoration of social justice.*

**Keyword : Human Right Violation, Corruption, Social Justice**

## 1. Introduction

Food is human's a primary necessity, food is closely associated with the clash of civilizations, the reappearance of civilization, and the collapse of civilization of mankind. Food is inherent in civilization. A powerful and influential civilization will be closely followed with the social, economic, and political hegemony. As an example food from the United States can be found everywhere in the world as a sign of power<sup>1</sup>. To obtain food is fundamental right of every individual, having close connection to the fulfillment of decent life of that individual. Rights are legally protected interests, while interests of individuals or groups are a demand that is expected to be met. Right have 4 (four) elements that are (1) legal subjects, (2) legal object, (3) legally binding relationship with the other party liability and (4) legal protection.<sup>2</sup> Human rights (human rights) was not given to one by the society, but was derived from one's dignity as human being.<sup>3</sup> Human rights is a very fundamental issue, because human rights (Human Rights) is Those Which Are Inherent Rights in Our Nature and Without Which Life as We Can Human Being". The UN Charter states even in the first sentence "Respect For Human Rights and Human Dignity Is The Foundation Of Freedom, Justice, and Peace In The World", and the statement is reaffirmed by the 1948 UN Declaration of Human Rights. One form of human rights is the right to life. The right to life is one of the non-derivable rights should not be violated for any reason. Other non derogable right are : Rights To Life, Prohibition of Torture, Prohibition of Slavery, Prohibition of Imprisonment Solely For Inability To Fulfill A Contractual Obligation, Prohibition Ex Post Facto of Legislation, Right To Recognition As A Person Before The Law, and Freedom of Religion.<sup>4</sup>

UN Charter Article 40 guarantees that "Everyone has the right to a standard of living adequate for the health and welfare of life

- 1 Andreas Maryoto, *Jejak Pangan : Sejarah, Silang Budaya, dan Masa Depan*, Kompas, Jakarta, 2009, p. 6
- 2 Sudikno Mertokusumo, *Mengenal Hukum (Suatu Pengantar)*, Liberty, Yogyakarta, 1986, p. 39-40
- 3 Franz Magnis Suseno, *Etika Politik : Prinsip-Prinsip Moral Dasar Kenegaraan Modern*, Gramedia, Jakarta, 1988, p. 121-130
- 4 Muladi, "Makalah : Human Rights And Human Responsibility", PDIH UNDIP, Semarang, 2008, p. 4

for himself and his family, including food, clothing, housing, health, social services, job security rights, sick, lame, widows, old age ...". To strengthen the statement of the UN Declaration, the United Nations issued International Covenant On Civil and Political Rights and the International Covenant in Economic, Social and Cultural Rights.<sup>5</sup> The issue of food for the fulfillment of basic human needs consists of four sub-systems of food, namely: (1) food availability, (2) food safety, (3) food security, and (4) the sustainability of food. As a system any interference to the sub-system would disrupt the the food system as a whole.<sup>6</sup> Disregard for human rights to obtain food for the fulfillment of an adequate life is a violation the law; the law should take over the role in this regard so that these rights can be fully protected. Availability of food is one of the basic necessities for the maintenance of human life (food is one of the basic need for human as a living creature) (right to live).<sup>7</sup> Fulfillment of food is closely related the right to an adequate, as stated in Article 25, paragraph 1 of the Universal Declaration of Human Rights. The recognition of this right is also contained in article 11 of the International Covenant on Economic, Social and Cultural Rights. It is also emphasized in General Comment 12 of the Committee on ECOSOC Rights 1999<sup>8</sup> in paragraphs 8 and 14 of GC 12's. Indonesia has ratified the international covenant through Law No. 11 of 2005, the impact on the recognition of the right to obtain food, and imposes obligations on States to respect, fulfill and protect the right to obtain food of its citizens.<sup>9</sup>

Food development in Indonesia by the government, follows the concept of food security (food security) with different definition accordingly to time and place. Government efforts made to improve domestic food needs is to import food. Nearly 65% of all Indonesian

5 Ibid.,p. 1-2

6 Franciscus Welirang, *Revitalisasi Republik : Perspektif Pangan dan Kebudayaan*, Grafindo, Jakarta,2007, p.54-55

7 Ibid.,p.118

8 Ibid.

9 Carunia Mulya Hamid Firdausy, *Kebijakan Strategis: Bidang Pendidikan Tinggi,Transfer Dana, Perminyakan, dan Pembangunan Pangan Dalam Menghadapi Globalisasi*, Pusat Pengkajian Pengolahan Data dan Informasi (P3DI), Sekretariat Jendral DPR RI , Jakarta,2011,p.109

people's food needs met from imports, which is still allowed to be met from production in the local product. Based on FAO 2006, Indonesia became a net importer of food products Country's second largest in the world after Egypt, reaching 7.729 tons. Indonesia has been importing 28 food commodities, including rice, corn, fish, dairy, beef, and chicken.<sup>10</sup> Efforts were made by the government, but not yet fully supported by the political will of the state officials of the ministry of agriculture. The level of corruption in the ministries / agencies in the central government of Indonesia ranked first based on data corruption crime based agency. In 2011 there were 23 cases, in 2012 there were 18 cases, and in January 2013 there have been five cases.<sup>11</sup> With the communication of corruption in the Ministry of Agriculture, relating to alleged corruption on imported beef quotas, involving importing company (PT Indoguna Utama).<sup>12</sup> Corruption also occurs in the procurement of rice imports from Vietnam Bulog involving Vietnam Food Corporation, former CEO Bulog sister and two of his staffs.<sup>13</sup> Corruption, can directly affect the fulfillment of the need of food in order to achieve an adequate and prosper life. The government through the KPK efforts has made to eradicated corruption. However, the government should give attention to the social impact of corruption in the food sector, with corrective action made directly against the disruption of the food system. One result of the corruption of imported beef is price duke of beef, making them in compatible with the society's buying power [not affordable by purchasing power], as well a scarcity of beef in the market. National consumption level for meat in 2010 reached 1671 tons.<sup>14</sup> Achievement of Society welfare and social justice of Indonesia has been established in the fourth paragraph of the Preamble 1945 Constitution. This best fulfillment greatest of possible this goal will

10 Ibid., p. 110-118

11 Strategi Penanganan Tindak Pidana Korupsi", [www.accch.kpk.go.id](http://www.accch.kpk.go.id), acces the file at March 10, 2013

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be difficult to achieve, due to the disturbances in the fulfillment of food needs as a result of corruption. Therefore, this study will focus on the government's law enforcement efforts are holistic social policy to improve the social impact of the crime.

## **2. Analysis**

### **2.1. Crime Corruption in Agriculture and Human Rights Violations in Achieving Welfare of Society**

Corruption literally means something evil, rotten, corrupt or corruptible. Hence, Corruption is a crime of misconduct, bad, evil, corrupt or bribe. Corruption is regulated by Law No. 31 of 1999 and Law No. 20 of 2001 on Corruption Eradication, which divides corruption into 2 (two) classification : active and passive corruption. In practice, corruption can be divided into two (2) types: Administrative Corruption and the Rule Against Corruption.<sup>15</sup> While Adami Chazawi devided corruption into 5 (five) types: (1) corruption based on the substanceof the object; (2) corruption by law subject; (3) corruption by source; (4) corruption by his actions; (5) corruption by consequence, harm or financial/economic state.<sup>16</sup>

Various forms of corruption can occur in almost all areas of public life. Problems arise and need a deep thought, when corruption occurs in agriculture which is the Ministry of Agriculture. Ministry of Agriculture has the authority to regulate the level of availability of food supply, both through domestic food production and imports. Strong potential for corruption in agriculture, closely related to the determination of import quotas that take into account the availability of food by food prices that can be afforded by the ability of the economy or people's purchasing power. Commission managed to uncover some agricultural ministry corruption, involving ministry state officials, relatives or friends of the officials, and corporate food importer.

15 Darwan Prinst, *Pemberantasan Tindak Pidana Korupsi*, Citra Aditya Bakti, Bandung, 2002, p. 1-11.

16 Adami Chazawi, *Hukum Pidana Materil dan Formil Korupsi di Indonesia*, Bayumedia, Malang, 2005, p.19-30



Mode of corruption is most often done is giving bribes to state officials by employers imports in order to influence or power possessed authority officials, in order to establish import quota is larger than the real needs of the food product imports in the community, set the base import price of the product food, and the subsequent possibility to set the selling price of imported products in the community to be very expensive. This act, clearly hurt the country both in terms of finances and economy of the country which resulted in the achievement of further welfare becomes obstructed. The welfare of society is a noble goal to be achieved by the government and the Indonesian state is determined by the founding fathers of this country since its inception, the goal is to be the ultimate goal to be achieved because it is closely related to human rights, namely the right to a decent life of every person. Government through Law No. 18 of 2012 on Food, guarantees the availability and fulfillment sufficient, safe and nutritious food to the household level.

The guarantees of legal protection by the government is a consequence of the judicial ratification of international covenants relate to the guarantee of an individual's economic, social, and political welfare through Law No. 11 of 2005, as well as the actualization of responsibility of the state to its citizens. Friedman stated that there are 4 (four) functions of the state : (1) the state as a provider (provider) that in this capacity, implemented efforts to meet the required minimum standards. Second, (2) state as a regulator (regulator) to ensure order so as not to appear chaos. Third, (3) direct intervening in the economy because there are certain business sectors that are essential to people or businesses related to the interests of the public service (public service). Fourth (4), the state as a supervisor (Umpire) of various products rule of law to maintain order and justice as well as acting as law enforcement.<sup>17</sup> The government's failure in maintaining legal certainty of the fulfillment food supply, with the occurrence of corruption that can't be underestimated as only ordinary crimes that have occurred.

<sup>17</sup> Johny Ibrahim, Pendekatan Ekonomi Terhadap Hukum, ITS Press, Surabaya, 2009, p.141

Crimes of corruption in the field of food can be considered or classified as criminal violations of human rights; particularly violation of the right to life, most basic right of individuals. Therefore, the Commission and the government through law enforcement must seriously address corruption in agriculture or food, by applying an optimal sanctions to the perpetrators.

## **2.2. A Holistic Approach In Law Enforcement Corruption Crime And Corruption**

Law enforcement should be understood as a holistic process of law, in which contains at least two functions : i.e., first, how the law is kept to always remain adhered to and executed by members of the community being regulated. Second, an action or motion to prevent violations of the law, and action taken if it turns out any deviation or violation of law.<sup>18</sup> In order to prevent and handlers for crimes that occurred, then the government needs to make an effort that is simultaneous and synergistic between the two in the handling of corruption that occurred in the field of food security, especially with a result that violates the human right to a prosperous life. The move by the government to the repressive action against corruption, to be followed by strategic policies appropriate government in agriculture or food. Strategic policy in the field of food that should be run to ensure the Indonesian people toward self-sufficiency and food sovereignty at. Strategic policy of the government in ensuring compliance with the import of food, we need some good management so that it does not cause more problems. Furthermore, the dependence of food to other countries and even a loophole for corruption by state officials and importers of food sector.

Government's strategic agriculture policy in an effort to realize social welfare for the whole community, is expected to achieve food security that includes the availability of sufficient, safe and nutritious food; self-sufficiency in the supply of food; and self- dependency. Technical steps that need to be done in synergy in order to achieve a synergy law enforcement for the actors, for both the prevention of

<sup>18</sup> Agus Subroto, "Kontribusi Pendidikan Tinggi Hukum Dalam Penegakan Hukum yang Berwibawa", article presented in Dies Natalis 64 Fakultas Hukum UGM, Yogyakarta, 2010, p.2

corruption and to remedy the impact of corruption, is to seek self-sufficiency by setting the level of food consumption and availability of food supply, diversification of non-rice food so as not to be dependent on imports through the development of innovative scientific research to improve the quantity and quality of local food products.<sup>19</sup> Synergy is not to be realized, it needs commitment, including the active role of the community itself, so that the ideals or goals mandated in the Constitution is preamble paragraph 4 is not simply just a dream a reality.

### 3. Conclusion

Corruption is an extraordinary crime, as a consequences, effort taken to eradicate corruption must also be extra ordinary. An other characteristic of corruption is the damaging effect of the act, finally and economically also in regards to human rights, that is, the violation of the right of live. Human rights violations are very apparent, when corruption is done in The Ministry of Agriculture; a ministry when the authority to fulfill society's needs of food. Disturbances in the fulfillment of food supply will result in further constraints on the realization of social welfare as the goal of the state of Indonesia, as stated in paragraph 4 the preamble of the 1945 Constitution.

Based on the specificity of the nature of corruption, the enforcement eradication of this crime requires specific ways as well. Law enforcement for crimes of corruption needs to be done simultaneously and synergically, between the law enforcement and consistent implementation with strategic government agriculture policies, so the risk or impact of corruption that occurred in agriculture will not be bad for the society. The most apparent adverse effects is the unavailability of basic food supply needed to achieve a decent society, corruption in the procurement of rice will result in limitations of rice available in the market and prices soared, further result is famine, malnutrition on certain people with limited buying power. The responsibility and role of government is very crucial it

<sup>19</sup> Carunia Mulya Hamid Firdausy, Op.Cit., p.129

also requires the active participation of the community to jointly address the prevailing issues.

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# Understanding The Typology Of Judges' Behaviour In Handling Corruption Cases

M. Syamsudin

## Abstract

*The objective of this paper is to analyze the types of judges behaviour who handle corruption cases based on sociolegal approach. Main issues of this paper are : (1) paradigm of thinking; (2) methods of interpretation; and (3) moral value orientatioan of judges. The data research was collected by conducting observation, interviews and document research methods. Data analysis used Matthew B. Miles and A. Michael Haberman's interactive model which consists of data collection, data reduction, data presentation and summarization activities. The result showed that corruption case handling process practically, does not only deal with juridical-technical and procedural matters, but also with some socio-cultural factors which consist of paradigm of thinking, legal interpretation method and moral value orientation that each judge embraces. Those socio-cultural factors lead to the typology of judge's behaviour in handling corruption case. First, positivist and non-positivist typology based on judges' paradigm of thinking. Second, textual and contextual typology based on method of interpretation. Third, materialist, pragmatist and idealist typology based on moral value that each of judges embrace. This result recommends the importance of tight supervision on judges during the corruption case handling process in judicial institution internally and externally.*

**Keywords:** *Typology of judges' behaviour, Corruption case, Sociolegal*

## *approach*

### **1. Introduction**

Some people argue that corrupt behaviour has been part of culture of Indonesian society since ancient period. According to Wignjosoebroto, corruption in Indonesia had been institutionalized since Dutch colonial era. The Dutch recognized family system which valued greatly the action of helping other family members that suffered under unfortunate condition. Americans also recognized similar value which called spoil system. However, they attempted to erase out such value and it took several decades in order to be completely free from such value.<sup>1</sup> Corrupt behaviour has been embedded within mentality and soul of most Indonesians.<sup>2</sup> This behaviour occurs in every level and aspect of Indonesian live, such as during administration of birth certificate; marriage registration; ID card registration; building license registration; local government institution procurement project; and even within judicial institution which is marked by the existence of judicial corruption.<sup>3</sup>

Such corrupt behaviour unconsciously stem from custom which is considered as common practice by society, for example: gratification and bribery for government official upon their services. Commonly, this custom is normal practice within culture of eastern society. Unfortunately, this practice eventually evolves into seeds of corruption which later becomes real threats against society.<sup>4</sup> Therefore, such practice is embedded within the society life as daily basis, as commented by M. Hatta that such situation has become

1 Soetandyo Wignjosoebroto, Kompas, 4 September 2000.

2 R.Toto Sugiharto. 2005. "Mengebor Sumur Tanpa Dasar" Jurnal Demokrasi, Volume II/N0.7/January2005. p.6-8; read also Heddy Shri Ahimsa Putra. 2002. "Korupsi di Indonesia: Budaya atau Politik Makna" in Wacana, Insis Press, Edition 14, year III, p. 44

3 IGM.Nurdjana, 2005. Korupsi dalam Praktik: Bisnis Pemberdayaan Penegakan Hukum, Program Aksi dan Strategi Penanggulangan Masalah Korupsi, Gramedia Pustaka Utama, Jakarta, p.1; read also Agus Sudibyo, 2005, Pemberantasan Korupsi dan Rezim Kerahasiaan, dalam Jihad Melawan Korupsi diedit oleh HCB. Dharmawan, Penerbit Buku Kompas, p. 58; read also Munawar Fuad Noeh, Kyai di Republik Maling Refleksi Gerakan Moral Melawan Korupsi, Penerbit Republika, Jakarta, 2005, p 77; read also Arif Punto Utomo, 2004.Negara Kuli Apalagi yang Kita Punya ? Penerbit Republika, Jakarta, p. 85-105;

4 Komisi Pemberantasan Korupsi RI, 2006. Memahami untuk Membasmi, Buku Saku untuk Memahami Tindak Pidana Korupsi. p. 1;

part of national culture.<sup>5</sup> Religious aspect cannot be separated from corrupt behaviour since some practices that close related to money politics issue such as *bisjarah* (gift) and *risywah* (bribe) which are provided by certain people who intend to use religious figures as political puppets; *jariyah* (establishment of monastery or any religious facility) which holds political motives that commonly happen prior to national general election or local government election; promoting political propaganda which hides behind camouflage of religious doctrine in order to support certain general election candidate, for example: doctrine of prohibition on female leadership, doctrine of leader's religion requirement and etc.<sup>6</sup>

According to research result published by *Wasingatu Zakiyah*, corrupt behaviour also occurs in the entire juridical institution, from the District Court until Supreme Court. Corruption involves almost the entire main instrument of judicial institution, such as judge, prosecutor, police, advocate and registrar. Besides, some people who are not part of judicial institution also play role as case broker. Since corruption practice commonly happens during trial process, society then titled it as judicial corruption. This term refers to corruption practice that happens among judge, advocate and prosecutor along with other involved parties in the court during trial process. It also refers to the conspiracy that occurs during trial process in order to rule in favour of certain concerned party.<sup>7</sup> Based on biennial conference of *Center for The Independence of Judge and Lawyer* (CIJL) on 17-22 September 2000) in Amsterdam, *judicial corruption* occurs because of some actions that might cause dependency on judicial body and legal institution, it might happen if (1) judge or the court ask for rewards, (2) receive various profit from defendant; and (3) give promises to the defendant by abusing judicial power or any kind of action, such as bribery; counterfeiting; data or any important court document deletion; deliberate data change; the use

5 Sahlan Said. 2005. "Penegakan Hukum Anti Korupsi". *Jurnal Demokrasi*, Volume II/N0.7/January 2005 p. 64;

6 Ahmad Khoirul Umam, *Kiai dan Budaya Korupsi di Indonesia*, (Semarang: Rasail, 2006), p. 99-107.

7 *Wasingatu Zakiyah, et.all.* 2002. *Menyingkap Tabir Mafia Peradilan*. Jakarta: ICW. p. 217-220

of public facility as personal belonging; obedience towards external intervention or pressure; threat; nepotism; conflict of interest; negotiation with advocate; false consideration on displacement, promotion and retirement; prejudice that might slow down judicial process and obeying government or political party interest.<sup>8</sup>

As the result, most of or even the entire "product" of judicial institution does not represent justice and legal certainty since there is allegation that case negotiation happens between legal enforcers and the defendant. It would worsen the image of judicial institution which eventually create public's distrust towards judicial institution. Therefore, there is no wonder if vigilant justice practices grow rapidly within society when they have to settle any case. There are two perspectives that should be used in order to analyze such real phenomena; internal perspective and external perspectives.<sup>9</sup> The former perspective emphasizes on how the instruments of judicial institution (in this context refers to judge) work based on formal and procedural guidelines as written on regulations. Therefore, if a judge has worked appropriately as stated on regulation and he/she does not violate any formal or procedural regulation, there is no problem with the judge. This perspective stresses on "regulation" factor in interpreting law. Internal perspective's distinctive characteristics are analytic, logic, mechanic and procedural. On the other hand, external perspective of law emphasizes on how the law works in practice which does not merely focuses on formal-procedural level. The way law working is firstly determined by and limited to formal guidelines as found on various regulations. However, such formal guidelines are not enough to provide understanding and to

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- 8 Putu Wirata Dwikora. *Peradilan Dagelan*, Catatan Hasil Eksaminasi Publik dalam Perkara Korupsi Yayasan Bali Dwipa. Jakarta: Indonesia Coorruption Watch. p. xiii;
- 9 Brian Z. Tamanaha, 2006. "A Socio-Legal Approach to the Internal-External Distinction; Jurisprudential and Legal Ethics Implications," *Fordham L. Rev.* (forthcoming 2006). Read also: "The Internal-External Distinction and the Notion of a Practice in Legal Theory and Socio-Legal Studies," *Law and Society Review* (1996). Read also Werner Menski, 2006. *Comparative Law in a Global Context, The Legal Systems of Asia and Africa*. Second Edition. New York: Cambridge University Press. p. 161; compare also Satjipto Rahardjo, 1980. *Hukum dan Masyarakat*. Bandung: Angkasa, p. 18-19. Read also Satjipto Rahardjo, no year. *Masalah Penegakan Hukum, Suatu Tinjauan Sosiologis*. Bandung: Sinar Baru. p.6-7.



explain the behaviour of involved actors since it actually needs to add the elements of behavior. Law enforcement is not free from norms and values. The elements of norms, values, ideas, actions and behaviour are closely related to the law enforcement. Such reality is explained clearly by Friedman in his legal culture term.<sup>10</sup> The second perspective views legal issues and legal facts from wider point of view than written norms. It commonly employs other knowledge outside law such as sociology, anthropology, psychology such as theoretical basis for explaining analyzed legal phenomenon. This is the position I take in order to analyze legal issue and realities.

Since this research use external perspective, it is relevant to explain the action theory by using Talcott Parsons' "voluntarism" concept in viewing social realities. Parsons organizes scheme of basic units of social action which is divided into some points based on the characteristics as follows: (i) the existence of individual as actor; (ii) the actor is viewed as holder of certain interests and goals; (iii) the actor owns alternative method, instrument and certain technique in order to achieve his/her goals; (iv) the actor encounters various situational conditions which might limit his/her action to achieve ultimate goal, such as certain situation or condition which is incontrollable by any individual (for example: sex and tradition); (v) the actor is not free from the obstacles which are stemmed from values, norms and abstract ideas that influence him/her to choose and to determine goals as well as alternative actions in order to achieve ultimate goal (for example: cultural obstacle).<sup>11</sup> Within the context of this paper, the actor refers to the judges who handle corruption cases in the court. The actor or the judge is actually on the situation when they are influenced by norms that lead him/her to choose alternative method and means in order to achieve the goal. Such norms do not decide its choice on certain method or mean, instead it is decided by the ability of actor (voluntarism) to choose. *Voluntarism* is individual ability (judge individual ability) to

10 Lawrence M.Friedman. 1975. *The Legal System: A Social Science Perspective*, New York: Russel Sage Fondation. p.15, 194 and 223.

11 Talcott Parsons. 1951. *The Social System*. New York: The Free Press. p 4-27. Read aslo George Ritzer. 2004. *Sosiologi Ilmu Pengetahuan Berparadigma Ganda*. Editor : Alimandan, Jakarta: PT RadjgrafindoPersada. p. 48-49.

take action in the sense of deciding certain method or means from various available alternatives in order to achieve the goal.<sup>12</sup>

## 2. Statements of Problem

If the hypotheses that any choice of judge behaviour is result of persevering interpretation between values, norms, various abstract ideas and condition to achieve goal is true, the main issue of this paper is: What are kinds of judge behaviour used in handling corruption case? This main question is later divided into more detailed questions, such as: What kind of judge's paradigm of thinking applied in dealing with corruption case? What kind of legal interpretation method which is employed by judge who handled corruption case?; What are judge's value orientations when dealing with corruption case?

## 3. Research Method

This research is categorized as combination of legal research type<sup>13</sup> and which socio-legal approach.<sup>14</sup> The analyzed object is law which is perceived as meaningful symbol resulted from human mental construction (in this context refers to the judge) and reflected in form of corruption case verdicts.

Data collection was conducted by interview, observation and document research. The interview was conducted towards research subject (judge) and interviewee. Interviewing activity was done at the same time with the observation activity or field record keeping. Field record keeping is supposed to gain data which can not be obtained through interview, especially data obtained during the progress of corruption case trial. Document research was conducted upon corruption case verdicts, examination results on corruption case verdicts, other previous research results, academic journals,

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12 Ibid.

13 Read Soetandyo Wignjosoebroto. 2002. *Hukum Paradigma, Metode dan Dinamika Masalahnya*. Jakarta: Huma, hlm.148.

14 Read Sulistyowati Irianto & Shidarta (ed). 2009. *Metode Penelitian Hukum Konstelasi dan Refleksi* .Jakarta: Yayasan Obor Indonesia. p. 173-175.

thesis/dissertations, magazines, newspaper, relevant achieves, regulations and other various references which are relevant with the issue of this research. Data analysis follows Matthew. B. Miles and A. Michael Haberman's interactive analysis model (1999) which consists of data collection, data reduction, data presentation and summarization/verification activities.

#### 4. Analysis : The Typology Of Judge's Behaviour In Handling Corruption Case

Analysis result showed that there is classification on typology of judges' behaviour in handling corruption case. Such classification is divided based on judges': (1) paradigm of thinking; (2) legal interpretation method; and (3) value orientation. This classification allows us to identify the distinctive characteristics of each typology as explained on table 1 below

**Table1. Typology of Judge Behaviour in Handling Corruption Case**

Classification Basis	Typology	The Characteristic and Behaviour
Paradigm of thinking	Positivist	Written regulations as basis and the only source of justice and truth when dealing with any case Judge is unlikely to pass discretion as legal finding effort Judge only representative of written regulation Judge only emphasizes on the level of procedural justice and focuses more on legal certainty Judge tends to apply deductive logic in order to achieve truth
	Non Positivist	Written regulation is not the only source of truth and justice when dealing with any case Judge is likely to pass discretion as legal finding effort Judge does not only represents the regulations, but also as law maker Emphasizing on substantive justice level Judge tends to apply inductive logic in order to achieve truth and justice

Classification Basis	Typology	The Characteristic and Behaviour
Legal interpretation method	Textual	Interpreting public delict in narrow sense as it only violates written regulation
	Contextual	Interpreting public delict in wide sense as it does not only violate written regulation but also violate values and norms within society, along with good administration principles
Value orientation	Idealist	Highly influenced by ideal value of law and justice in handling any case
	Pragmatist	Influenced the most by choice of advantageous situation when handling any case
	Materialist	Highly influenced by material values and profit when handling any case

**Source: Processed qualitative primary data**

Based on judges' paradigm of thinking there are two typologies: positivist judge and non-positivist. The positivist type focuses on formal-textual parameter in interpreting the truth of law. Meanwhile, non-positivist one tends to mix either textual or written regulation and contextual of socio-cultural condition in interpreting the truth of law. In practice, mostly the judge tends to be legal positivist instead of being 'rule breaker' by applying non-legal positivist paradigm. Main characteristic of legal positivist is to make written regulation as the only guideline and ultimate source when handling the corruption case. Judges' creativity less likely gets concern during their legal finding effort since judge is viewed as representative of written regulation. Written regulation is considered as the only source to find truth, while at the same time unwritten regulation and other factors that remain outside written regulation are unknown to legal positivist. Social sensitivity, empathy and dedication to create justice become part their consideration. Truth and justice are merely viewed as matter of legal formalism. Such kind of paradigm only put more focus on legal certainty issue than justice and utility of law. In order to find the truth, they employ deductive logic by emphasizing syllogism.

Legal positivism still dominates judges' paradigm of thinking

in the court. As the result, judge is not allowed to explore substantial truth in order to create impartial justice and law that protect people. Judge's failure to prove corruption during the trial process in district court level is caused by their deductive logic, while putting aside inductive logic when searching for truth and legal facts.<sup>15</sup> In order to master deductive logic, learning every aspect of certain article in written regulation is the first step. Later, constructing story based on legal facts as found during the trial session. This method, thus, brings negative consequence since it allows the judge to create bias verdict. In creating verdict, judge should begin with legal facts which they acquired from the witnesses and evidences in order to construct the story of event by using their inductive logic instead of focusing on certain article in written regulation.<sup>16</sup> In fact, judge starts everything by choosing certain article in written regulation for case they handle and later they construct the story of event based on legal facts they found during trial session. In other words, judge is being a priori. Low quality of verdict which seem only forcing the story of legal event to be in accordance with the article or regulation they have chose first.<sup>17</sup> Such method is named deductive method which is not appropriate for district court judges who have to examine Trier of fact (*judex factie*). The best method for examining Trier of fact (*judex factie*) is inductive.<sup>18</sup>

The typology of judges' paradigm of thinking is actually reflection of judge ideal culture to understand the dimension of ontology, axiology and epistemology. The ontology dimension is related to nature of law, whether it is interpreted as principle of justice and truth, or law as norms that written on regulation or law as sociological behaviour on macro and micro scope and etc.<sup>19</sup>

15 Read Yusti Probawati Rahayu. 2005. *Dibalik Putusan Hakim Kajian Psikologi Hukum dalam Perkara Pidana*. Surabaya: Penerbit Srikandi. p. 95. Read also Artidjo Alkostar. 2008. "Mencandra Putusan Pengadilan". Paper for Pelatihan Jejaring Komisi Yudisial, 1 February 2008, in Hotel Mellinium Jakarta. p.5.

16 Read: Probawati Rahayu. 2005. *Op.Cit.* p. 65

17 *Ibid.* p. 95.

18 Artidjo Alkostar. 2008. *Op.Cit.* Hlm.5.

19 Shidarta. 2006. "Filosofi Penalaran Hukum Hakim Konstitusi dalam Masa Transisi Konstitusionalitas". *Jurnal Hukum Jentera*, Edisi 11-tahun III, Januari-Maret 2006. hlm.6.

Axiology dimension focuses on the purpose of law that has to be achieved. The purpose of law might be the justice, legal certainty or legal utility (*gerechtigheit, rechtssicherheit, und zweckmaaigkeit*) or combination of both. Meanwhile, epistemology dimension is related to the method or approach which is employed by certain subject in order to do research on analyzed object. In epistemology context, legal logic does not merely refer to rationality as the only instrument which is employed by subject in order to approach object. There are some instruments that can be employed, such as senses and intuition since in fact the subject is not only a rational being but also an ethical and political being.<sup>20</sup>

Typology of positivist judge and non-positivist judge, in practice, create various pattern of legal interpretation in dealing with corruption case, such as textual and contextual interpretation. This research showed that there is relation between characteristic of judge legal interpretation on corruption with sanction. If judge applies textual interpretation, there is tendency to pass non guilty verdict or even if the judge passes guilty verdict, the sanction is relatively light one. On the other hand, if the judge employs contextual interpretation, judge tends to pass guilty verdict. Sanction level of such guilty verdict is varied which has range from light find defendant guilty, moderate and heavy, depends on judge's consideration basis in determining sanction level. Textual and contextual interpretations on corruption is based on types of corruption which might fall in category of "public delict" or "abuse of power" that is committed by local government officials who work in legislative or executive institution. Textual interpretation on corruption which falls into category of public delict and abuse of power is merely underpinned by violation against written regulation basis. Meanwhile, contextual interpretation on corruption that belongs to category of public delict and abuse of power is underpinned by violation against written and unwritten regulation basis. Unwritten regulation as basis for charging corruption within the context of public delict is social norms which prohibits disgraceful action against sense of

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<sup>20</sup> Ibid.

justice within society. Element of abuse of power can be found on the violation against general principles of good administration as part of unwritten regulation.

The result indicates that panel of judge's failure to prove elements of crime in corruption case as charged by prosecutor during trial session is caused by textual interpretation on corruption case which is applied by most judge. If judge applies contextual interpretation, there is high opportunity to successfully prove elements of crime of corruption case. In other words, application of textual interpretation for corruption case usually leads to non guilty verdict or light sanction (if the defendant has guilty). Meanwhile, contextual interpretation on corruption case mostly produces guilty verdict in which the sanction range is varied from relatively light one until the heaviest one. It depends on judge consideration as a basis in creating the verdict. Based on research on corruption case verdict, there is no guilty verdict and verdict with minimum sanction which do not put consideration towards legal facts and lack of strong legal arguments. It is clear cut evidence that judges' verdicts fail to protect society interest, especially for the victim who suffered from massive impoverishment, since corruption is not viewed as crime against humanity. Some judges even take side on the defendant by emphasizing a made-up reasoning that the defendant had given many good contributions to government. Some judges mostly do not realize that corruption is a crime which violates economic, social and culture of society rights. Corrupted national asset has failed to be interpreted as destructive action against social justice. Corruption which was committed by government officials is not considered as the worst crime that represses poor people with weak social status. Meanwhile, corruptors still remain within top structure of government power. They are mandated by public trust to protect and give prosperity for society, yet they intentionally take away people's socio-economical rights.<sup>21</sup> Judge activity when handling a case is closely related to the direction of their system of

<sup>21</sup> Compare also with research result of PUSHAM UII as published in book titled: *Wajah Hakim dalam Putusan, Studi atas Putusan Hakim Berdimensi Hak Asasi Manusia*. Yogyakarta: Pusham UII.



cultural value. The system of cultural value is guidelines that give direction and provide orientation to judge's life within their cultural environment. It consists of ideas, concepts, norms and rules that live in judge community realm of mind. This system of cultural value remains within emotional area of psychological realm that has been part of respective culture.<sup>22</sup>

Based on system of cultural values, research shows that judge's activity in handling a case depends on of their cultural values. Judges always spend their time to have dialogue with system of cultural values that live in their psychological and mental realm. Judge will set priority upon values that they consider important in relation to case they handle.<sup>23</sup> The judge will always take chance to have dialogue with values they embrace when handling a case. If they attempt to deviate from such values, their guilty and sinful filling might bother their entire life. However, such situation will only occur to judge who has strong sense of morality, conscience and justice. On the other hand, judge will unlikely suffer from such situation if they do not have any sense of morality, conscience and justice since their action and decision are merely dominated by desire, greed and pragmatism which only bring advantage to their personal interests.<sup>24</sup> Research shows that case handling process in the court does not only deal with juridical-technical and procedural of the application of law, but also involves values that every judges' embrace. Before passing a verdict, judge will experience contemplation, consideration and having dialogue with values that living within their inner soul realm. Such fact is relevant with Ronald Beiner's (in Warrasih, 2007) which stated that judge verdict is "*...mental activity that is not bound to rules...*"<sup>25</sup>

Judge will choose values that they decide to manifest. Such manifestation and choice upon values in practice are strongly influenced by some factors, such as: personal interest level,

22 Koentjaraningrat, 1984. *Kebudayaan Jawa*. Jakarta: BalaiPustaka. p.184.

23 Interview with interviewee code AA.

24 Ibid.

25 EsmivWarassih, 2007. "Mengapa Harus Legal Hermneutic?" Paper for National Seminar "Legal Hermeneutics sebagai Alternatif Kajian Hukum". Semarang 24 November 2007.p. 3.



education, life basic needs, environment and habit along with their personality. Those factors will provide direction to judge when they make decision in verdict. Practically, shift on values they choose is likely to occur, such as shift from basic ideal values or objective values of law into pragmatic or subjective values which become priority by using any means and opportunity to be used efficiently during certain time and context. It means that judge is not free from their personal interest or any interest that is not part of legal aspect when handling any case. Objective condition shows some factors that might influence judge verdict, they are: personal interests and material/financial basic needs, dynamics of organization they belong to, external oppression, personality influence, past experiences or old habit. Moreover, judicial corruption also take part in judges decision in handling case.<sup>26</sup> Normatively, judge has been granted by law an authority and freedom to handle the case independently and free from any intervention. They independently make decision and verdict based on their personal belief and conscience without any interference from any institution outside judicial system. Any intervention on judicial matters which is committed by other parties is prohibited, unless it is stipulated otherwise by law. However, in practice, normative regulation does not show result as what expected. Practically, some judges cannot run their function well in order to manifest the ultimate objective of law. Legal enforcement function which has purpose to achieve objective of law, as written on the letterhead of verdict "IN THE OF NAME JUSTICE OF ALMIGHTY GOD", in process, must experience degradation, distortion, dysfunction and malfunction which are caused by legal enforcers, particularly the judge. This situation is labelled as "Judicial Mafioso".

In other words, in handling any case, the judge's decision is bound to values and orientation that they embrace. Ideas and concepts which reside in judge's mind also influence their actions and decisions they have to make, particularly when they have to decide defendant's guilty status and to determine defendant's sanction in verdict. Select values that judges have to take will much

<sup>26</sup> Wasingatu Zakiyah et al. 2002, *Menyingkap Tabir Mafia Peradilan*. ICW, Jakarta.

affect the quality of judge's verdict. When dealing with any case, in practice, judges have to encounter many temptations, especially material or financial temptations. In this context, a case handling process can be interpreted as source of opportunity to gain material profit.<sup>27</sup> Therefore, judge's activity in making decision upon a case is vulnerable to any corrupt practice, such as bribery.<sup>28</sup> Regarding to such condition, there are some proposed categories of judge based on their personality. First, greedy judge who actively offers settlement of a case to certain party concerned (defendant) and in return they ask for reward. This type of judge is categorized as materialistic judge. Second type is wishy-washy judge who allows themselves to receive any reward from party concerned, yet they will not do protest if they do not receive such reward. Most of judges belong to this category and they are labelled as pragmatic judge. The last one is honest judge who rejects any kind of reward which is offered by the defendant. This type of judge belongs to idealist type but they are quite few in number.<sup>29</sup>

Such condition proves and strengthens a thesis which argued that there are two types of judge when making decision over a case. First type is, before making decision and creating verdict, the judge who only looks for truth and justice on written regulation. After successfully finding the legal basis as written on regulation, they attempt to apply it on real case. However, during this process, they usually ignore the possibility if such written regulation is relevant with sense of justice that resides within society. They think that the aptness between written regulation and legal facts they found on the case is enough to handle every case they take. It means that judge is merely representative of written regulation. Such procedure is embraced by positivist judge.

*Second* type is judge who looks for the truth and justice from their conscience before making decision and creating verdict. This type of judge will question their conscience firstly upon the exactness of decision he is going to make. After conducting such

27 Interview with interviewee code AA.

28 Interview with interviewee code SS.

29 Interview with interviewee code RMT

process, they start to find out legal basis in written regulation for case they handle. Afterwards, they are ready to write their final decision on verdict. Verdict which they made does not merely rely on written regulation. This verdict also considers sense of justice that resides within society. This kind of procedure is practiced by progressive judge. Satjipto Rahardjo has divided type of judge into two categories, they are: (i) Judge who question and listen to their conscience before looking for relevant regulation that support their conscience decision when handling case, and (ii) judge who, when handling a case, consults with their personal interest before looking for relevant regulation that suit their personal interest.<sup>30</sup>

## 5. Conclusion

Corruption cases handling process which is conducted by judge in the court does not only deal with technical-judicial and procedural application of laws. It also involves social factors that influence judge, they are: (1) judge's paradigm of thinking which creates typology of positivist judge and non-positivist judge; (2) judge's method of legal interpretation that leads to typology of textual judge and contextual judge; (3) judge's orientation of value that produces typology of materialist judge, pragmatic judge and idealist judge.

## 6. Recommendation

This research recommends the importance of external and internal strict supervision towards judges who handle corruption case in judicial institution based on Code of Judge Ethical Behaviour.

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<sup>30</sup> Satjipto Rahardjo, Kompas, 1 Agustus, 1996.

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# Ripple Effect of Weakening Rule of Law

## Case Study of Eastern Indonesia

Theofransus Litaay

### Abstract

*This paper describes the ripple effect condition of weakening rule of law in eastern Indonesia provinces. While affirming Ben Anderson's theory that the state is determined by a central authority, the author's research found that the center of power has limited coverage, especially in a regional autonomy era and on weak rule of law situations. The limited coverage dampers efforts to establish accountable public service and create a "ripple effect" affecting other areas of public governance. Previous research by the author in Papua, Papua Barat, Maluku, and East Nusa Tenggara (including the one funded by TIRI, co-research with Dr Christina Maya Indah) indicated that the main problem of law enforcement in Indonesia is the lack of political will to uphold the rule of law at the national level combined with the weak performance of law enforcement in the regional level and lack of transparency, resulting in the weakening of the national legal system and rule of law at the local level especially in the periphery. Therefore the periphery forms its own power-center, limited only by its own law and its own power game, which in the end proved costly as been proven by the high number of corruption cases. If it is not anticipated earlier, this type of power practice will cost the political legitimacy of the national legal system. In the regions where government spending is the dominant driving force of local economy, the roles of civil society and academia are very important to promote the integrity message.*

**Key Words : Rule of Law, Eastern Indonesia, Corruption**

## 1. Governance and The World Governance Indicator (WGI)

According to Kaufmann, Kraay, and Zoido, (1999, p. 1):

Governance consists of the traditions and institutions by which authority is exercised in a country. This includes the process by which governments are selected, monitored, and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.

Over the period of 1999-2010, researchers developed the World Governance Indicator (WGI) that is supported by the World Bank and applied universally. The world governance indicator consists of six indicators namely (Kaufmann et al, 2007; Kaufmann et al, 1999):

- Voice and accountability.
- Political stability and absence of violence.
- Government effectiveness.
- Regulatory quality.
- Rule of law.
- Control of corruption.

As regards Indonesia, exiting research show that it is facing challenges on the issues of government effectiveness, regulatory quality, rule of law, and control of corruption. The author's own also research shows that those issues are inter-related and inter-dependent, especially in the remote regions of distance away from Jakarta as the center of power.

## 2. The "Ripple Effect"

The author's research found that the center of power has limited coverage, especially during the regional autonomy era and in weak rule of law situation. This situation creates negative impact on the efforts to establish accountable public service and creating a "ripple effect". The picture of a water ripple below depicts the description that the wave is stronger at the center of the ripple and getting slower or weaker at the periphery of the ripple. In the

author's opinion, the picture is suitable to analogue the center vis-à-vis periphery relationship in Indonesia, where the changes and reform initiatives take place in Jakarta as the center of power while weakening in the provinces.



**Picture 1. A water ripple. (source: <http://www.penguinslab.com/water.htm> downloaded March 15, 2013)**

Indonesia is facing a challenge of distributing the center of growth to outside-Java island regions. As long the this challenge is not met, the dependency relationship between the government and the private sector will continue to grow. This relationship is a power relationship that will implicate the actors in a mutual and collusive relationship, resulting in corruption.

### **3. Power Relation, Corruption and Poverty**

In 2012, FITRA (Indonesian forum for budget transparency) produced the rank of the corrupt-potential provinces (Merdeka, 2012). FITRA's data shows that there 4540 corruption cases in the 12 eastern Indonesia provinces are over 378 cases per province. The highest loss of State revenue in Papua is over 476 billion rupiah and the lowest in North Sulawesi is over 16 billion rupiah. The total loss of revenue is over 1,3 trillion rupiah. Table 1 below presents the complete figure.



**Table 1. Loss of revenue and corruption cases in eastern Indonesia.**

No.	Province	Loss of revenue (IDR)	Case amount
1	Papua	476,986,970,000	281
2	Papua Barat	169,053,340,000	514
3	Sulawesi Selatan	157,723,140,000	589
4	Sulawesi Tenggara	139,970,570,000	513
5	Maluku Utara	114,291,160,000	732
6	Nusa Tenggara Barat	52,825,470,000	307
7	Sulawesi Tengah	52,823,110,000	294
8	Sulawesi Barat	51,374,210,000	335
9	Gorontalo	48,841,820,000	203
10	Maluku	47,850,610,000	326
11	Nusa Tenggara Timur	44,485,010,000	219
12	Sulawesi Utara	16,072,000,000	227
	TOTAL	1,372,297,410,000	4540

Source: FITRA data cited by Merdeka daily, 2012, analysed by the author.

Ironically, government data shows that seven (7) out of ten (10) poorest provinces in Indonesia are in eastern Indonesia. BPS (2010) data shows that those seven eastern Indonesia provinces are Papua, Papua Barat, Maluku, Gorontalo, East Nusatenggara, West Nusatenggara, and Central Sulawesi as presented in Table 2 below.

**Table 2. 10 Indonesian provinces with highest percentage of poor people.**

No	Province	% in 2009	% in 2010
1	Papua	37.53	36.8
2	Papua Barat	35.71	34.88
3	Maluku	28.23	27.74
4	Gorontalo	25.01	23.19
5	East Nusatenggara	23.31	23.01
6	West Nusatenggara	22.78	21.55
7	Aceh	21.8	20.98
8	Lampung	20.22	18.94
9	Sulawesi Tengah	18.98	18.07
10	Bengkulu	18.59	18.3

Source: BPS, analyzed and cited in Litaay, 2013.

Data analysis above infers that corruption negatively the economic condition of a region, and weak law enforcement support deterioration of economic condition caused by corruption. This is significant as the regional investment data shows that economic activities in eastern Indonesia are heavily influenced by government spending and government investment. Power relationship between local government actor and local business person in many cases resulted not only in corruption but also weakening efforts of law enforcement, especially when the supervision and oversight over local law apparatus are weak. If it is not anticipated earlier, that power practice will cost the political legitimacy of the national legal system. Interview with the resource persons in Jayapura and Timika (Papua province) provide information that great amount of special autonomy budget in the region did not materialize into improvement of local communities' life quality. This situation had degraded their trust toward both the local government and the central government development policies.

Interview in Papua Barat province described that significant amount of provincial budget was corrupted while the money had been allocated for teacher up-grading program and education development program. This situation had degraded people's confidence on the development program. Weak law enforcement performance also sends a wrong signal to the public that a corrupt public official is a mighty actor. Some local actor even managed to pose stronger position and weak of the result of judicial process before the eyes of the national legal agency. One of the examples is the failure of the supreme prosecutor office in 2012 to arrest the head of Aru district (Maluku province) in Jakarta and he is still at large while run the government in his district until now. Previous research in East Nusa Tenggara (including the one funded by TIRI, co-research with Dr Christina Maya Indah) indicated that the main problem of law enforcement is lack of political will to uphold the rule of law worsen by weak performance of law enforcement and lack of transparency, resulted in the weakening of national legal system and rule of law at the local level especially in the periphery.

It victimize local communities through weak performance of public service and low quality service of local government. Consider that situation, KPK opens an 'anti corruption clinic' in Papua province to disseminate information. However, this effort will gain limited result without stricter supervision and sanction against low performance of the law enforcement agency.

The fact that many corruption cases in remote districts of eastern Indonesia provinces are still untouchable is the picture of the capability of the periphery forms its own power-center that limited by its own law and its own power game, which in the end proved costly as been proven by the high number of corruption cases and the high percentage of poor people in the region. In the regions where government spending is the dominant driving force of local economy, the roles of civil society and academia are very important to promote integrity message. The challenge for the eastern Indonesia's universities (state-owned) is the ability to cooperate with local government in local development project without contaminated by bad governance culture. Angelina Sondakh's case that implicated several public universities in eastern Indonesia is the example of how the collusive and corrupt relationship could also implicate the academic institutions in the region. Court decisions over several procurement cases in public universities in the region are also the example of the challenge. In this situation, civil society play important part, the challenge is to improve the capacity of the civil society organizations.

#### **4. Conclusion**

Based on the discussion above, this paper concludes that:

- (1) National government needs to deliver more resources in order to cover the challenges of good governance and rule of law in eastern Indonesia provinces, to avoid the ripple effect.
- (2) In a regional autonomy era, rule of law should be strengthened to create orderly situation, including in the governance sector to avoid the ripple effect.

- (3) National and local government should show their stronger political will to uphold the rule of law at all levels including in the regional level and increase transparency at the local level especially in the periphery.
- (4) KPK should eradicate the trend of the local power-center in applying their (local power) its own law and its own power game to reduce the number of corruption cases.
- (5) Capacity building and empowerment toward local civil society is needed.
- (6) Local academia should promote integrity message and good governance inside their educational institution and play the role of critical counterpart to the local government. Local academic should be part of the solution rather than become the part of the problem.

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# Transparency of Information For Building Good Public Governance In Indonesia

Loina Lalolo Krina Perangin-angin, MSi

## Abstract

*Transparency of information is a principle that guarantee the access to information and freedom of information. For governance, transparency of information is needed to reinforce the accountability on the government policies and activities. In turn, it will result in public participation toward government policies and activities. Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.*

*The research is conducted to identify data according to the implementation of public information transparency and influencing factors in the process of transparency. This research uses qualitative and quantitative approach, through focus group discussion and in-depth interview as a main data collecting techniques for qualitative approach, and survey for quantitative approaches. The informants come from various field, such as are public relations officers or communication chairmen, local communities businessmen, and students from the selected regions. To support the qualitative data, content analysis is conducted to the written documents and website content of selected local governments. The selected regions are Kotamadya Bandung, Kabupaten Bantul, Kabupaten Kebumen, and Kabupaten Lebak. Analysis be done qualitatively and quantitatively. Quantitatively, data is collected through questionnaires to 375 respondents as samples of research that chosen accidentally at the region. Data then be analyzed through frequency tables and factor analysis.*

**Key words** : *transparency of information, good public governance, Indonesia*

## 1. Introduction

Recently, the terms “good governances” are being increasingly used in many fields. Historically rooted in business and commercial practices as called corporate governance, but nowadays move widely in public governance that relates with how government conducts positive and supportive behaviors concerning of giving benefits to its citizens. In business, recent years have witnessed an exponential growth in corporate governance. Improvements in corporate governance practices are being orchestrated at a global level. International bodies such as the Organization for Economic Development (OECD) have developed internationally acceptable standards of corporate governance. Some countries have been continuing to strengthen their generally sound corporate governance systems, focusing on shareholder and stakeholder relations and accountability, improvements in the performance of boards of directors, auditors and the accounting function, and paying attention to the ways in which their companies are controlled and run.

In public governance, such standards of best practices in good corporate governance are applied. The principles may vary from one scholar to another, from one institution to another, from one government to another, but there are some key features that can be drawn for good public governance, one is transparency of information. Transparency of information is principles that guarantee the access to information and freedom of information.

Transparency is an essential element of a well-functioning system of good governance. Transparency promotes accountability and provides information for citizens about what their government is doing and the reasoning behind the decision. Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands. Lack of transparency, in turn, may open the chances for government official to run for ‘bad governance’, which is being increasingly regarded as one of the root causes of all evil within

our societies. One example of the result from bad governance is corruption. In fact, practices of corruption nowadays still become a main problem in Indonesia, even though some actions might have been boosted up for blockading the practices.

The term 'governance' sometimes is misunderstood with 'government'; in turn push the government as the victim of the term, as the first target by society and non-governmental organization to be criticized. In fact, the power of this concept is based on the interaction of government, civil society and private sector to work together for developing good public governance. All three will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration. Openness will strengthen democracy and promote efficiency and effectiveness in government. To fight against corruption, good governance efforts rely on principles such as accountability, transparency and participation.

Good practices of public governance have been forced to be applied by all public institutions through rules and regulations. Efforts to socialize the principles of good governance have been distributed, too. But it still is just remaining as discourse for public officials. It is very hard for society and private sector to evaluate the implementation of good governance by public institution.

Based on explanation above, a study is conducted to identify about transparency of information applied by some regions in Indonesia. The researches were conducted for three years, started from 2008 until 2011, to gain some objectives such as to identify data according to the implementation of public information transparency, to identify influencing factors in the process of transparency of information, to identify indicators and measurements for evaluating the implementation of transparency of information, and to construct a model of the transparency of information in building good public governance.

## 2. Literature Review

### 2.1. Good Public Governance

The term “governance” derives from the Latin *gubernare*, meaning ‘to steer’, usually applying to the steering of a ship, which implies that corporate governance involves the function of direction rather than control (Solomon, 2007, p.1). The term historically roots at the business practice, which is called corporate governance, but nowadays it moves widely to another fields including in governmental issues. In principle, the concept of governance may be applied to any form of collective action. Governance is about the more strategic aspects of steering: the larger decisions about direction and roles. That is, governance is not only about where to go, but also about who should be involved in deciding, and in what capacity.

There is no single, accepted definition of governance. But we can state that governance is the process whereby societies or organizations make important decisions, determine whom they involve and how they render account. Governance, according to the United Nation Economic and Social Commissions for Asia and the Pacific (UNESCAP) is the process of decision-making and the process by which decisions are implemented, with some reasons, or not implemented, with some reasons, too (2013). According to the corporate governance, the approach fall along a spectrum between the company or organization with its stakeholders, meanwhile in public governance it fall to the relationship between the government and its public.

Public governance describes how public institute conduct public affairs and manage public resources. The concept centers on the responsibility of governments and governing bodies to meet the needs of the masses as opposed to select groups in society. Public governance is concerned with the conduct of governments at all levels to bring the best possible benefits to their citizens and to fulfill their responsibilities as members of the global community (Keong, 2013).

Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decisions made and the formal and informal structures that have been set in place to arrive at and implement the decision. Government is one of the actors in governance. Other actors involved in governance vary depending on the level of government that is under discussion. The other actors are civil society and private sectors, which can be divided into several groups of people as stakeholders of government.

## **2.2 Basic Principles of Good Public Governance**

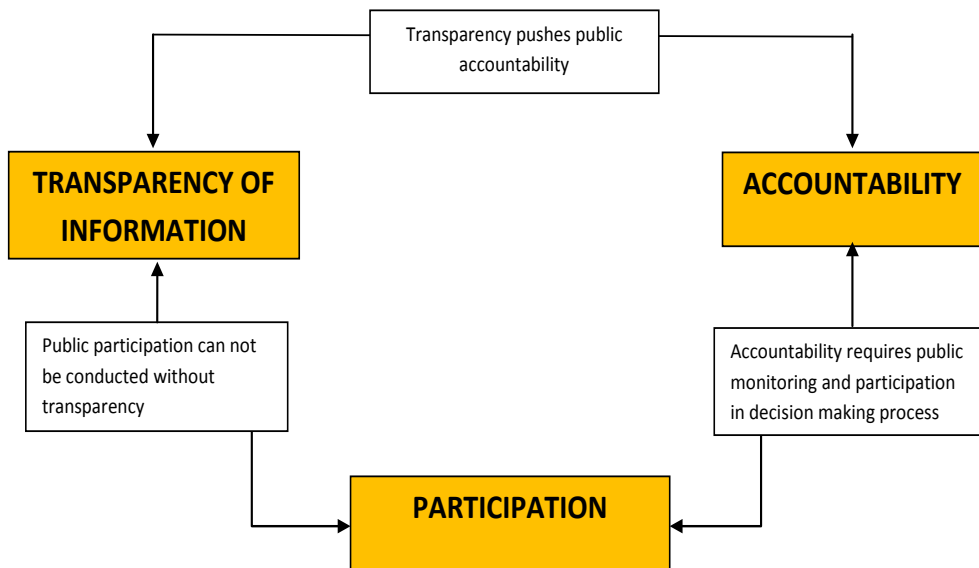
Basic principles of good public governance may vary from one institution to another. United National Development Programme recommends five principles of good public governance; (1) legitimacy and voice, that can be divided into participation and consensus orientation, (2) direction, that show the strategic vision of the institution, (3) performance, that can be measured by responsiveness, effectiveness and efficiency, (4) accountability, that refer to institution accountability and transparency, and (5) fairness, that can be measured by implementation of equity and rule of law. (UNDP, 1997)

According to United Nation Human Rights, depending on the context and the overriding objective sought, good governance has been said at various times to encompass: full respect of human rights, the rule of law, effective participation, multi-actor partnerships, political pluralism, transparent and accountable processes and institutions, an efficient and effective public sector, legitimacy, access to knowledge, information and education, political empowerment of people, equity, sustainability, and attitudes and values that foster responsibility, solidarity and tolerance. (2013)

Other institution stated that good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is

minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

In fact, based on the various principles of good governance, it can be derived that main principles of good governance are (1) Accountability, (2) Transparency, and (3) Participation. Clearly that each principles is the instrument for other 2 to work, and all three must work together for building good public governance. The relationship between 3 principles can be defined in picture below.



Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organization or institution. In general an organization or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law. Accountability forces public officials to apply their behavior related with acts, rule and regulation. Accountability, too, forces public officials to have capabilities in explaining each policy and strategy they took for public interest.

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media. Transparency asks for the public access to the relevant information.

Participation by civil society and private sector is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand.

Participation from public is needed to supply supporting documents and information to the government regarding the decision making process. Other functions of participation are for controlling and monitoring the government policies, strategies and ways in governing the society. All levels of public can be participated in the decision making process, and for those participations, transparency of information will run as a basis data for public.

### **2.3 Transparency of Information**

Transparency is an essential element of a well-functioning system of good governance. For corporate governance, as an example, corporate disclosure to stakeholders is the principal means by which companies can become transparent. The term 'disclosure' refers to a whole array of different forms of information produced by companies, such as the annual report which includes the director's statement, the operating and financial review, the profit and loss account, balance sheet, cash flow statement and other mandatory items. (Solomon, 2007, p. 144)

In public governance, a government is transparent when the



great majority of the information that it holds about its activities, policies, etc., is available to the public. Therefore, transparency is the result of information being available, easily accessed, accurate and in time (freely and readily available). A transparent public body is one that is characterized by visibility or accessibility of information by people. Usually, this means not only that the public body is good and fast at answering requests for information from the public, but also that they publish a large amount of information without the need for requests, for example by publishing on their internet site and in official journals as well as in user-friendly leaflets and reports. It doesn't really matter too much if the words "transparency" or "access to information" are used, as the result is similar, but it helps to be specific.

Transparency has numerous benefits, such as

- a. Transparency for accountability: The public has the right to hold the government and public officials to account for how they act and for the decisions they take. To do this information is needed. The role of media is particularly important here because journalists play the role of "public watchdogs". Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reason for their decisions and restrict information only when the wider public interest clearly demands. (Pope, 2000, p.23)
- b. Transparency for participation: In a democracy it is essential that people can access a wide range of information in order to participate in a real and effective way in the matters that affect them. That means not just participating in elections but also participating in public debate and decision-making between elections, and in order to participate in a meaningful way we need information.
- c. Transparency for efficiency: Responding to requests for information also has the benefit of encouraging public institutions to organize their information. In particular, proactive disclosure of information encourages better

information management. This in turn should result in better, more fact-based decision-making inside each institution, as well as more effective communication between public bodies

Transparency can be built by setting unambiguous rules on what is expected of public employees in order to resolve this conflicting situation. Government must put stated standards into practice by socialization through communication training and counseling, and enforcement through disclosure systems detecting and punishing those who do not comply with the stated standards.

Based on some definitions and explanations about transparency of information, the indicator to evaluate the implementation of transparency of information can be classified into 2 categories, named:

- a. Access to information, which can be conceptualized as the ability citizens to obtain information about the past, present, and future activities of the state. (Khrisnan, 2001). The phrase "freedom of information" is also widely used when referring to the ability of individuals to gain access to information in the possession of state. Access to information is fundamentally about the quality of information available from the state, not the quantity. It has been argued that access to information is an essential elements of democratic government. That is, for democracy to flourish, citizens must be adequately informed about the operations and policies of their government.
- b. Mechanism to information, which can be conceptualized as the ways of citizens to obtain information. It refers to the rule and procedures to gain information that simple, straightforward and easy to apply for minimize the differences of interpretation. (Asian Development Bank, 1999, p.7-13)

### 3. Methodology

The research uses qualitative and quantitative approach, through focus group discussion and in-depth interview as a main data collecting techniques for qualitative approach, and survey for quantitative approach. The informants are public relations officer or communication chairmen, local communities businessmen, and students from the selected regions. To support the qualitative data, content analysis was conducted to the written documents and website contents of selected local governments. The selected regions were Kotamadya Bandung, Kabupaten Bantul, Kabupaten Kebumen, and Kabupaten Lebak. Analysis are done qualitatively and quantitatively. Quantitatively, data are collected through questionnaire to 375 respondents as samples of research that chosen accidentally at the respective regions. Data then analyzed through tables of frequency and factor analysis.

### 4. Research Results

#### 4.1 Implementations of Good Public Governance

Transparency promotes accountability and provides information for citizens about what their government is doing. In the time of study, there are some inquiries hold by public official regarding of what and how transparency of information is should be apply. For long time, our public official practiced the principles that information about public policy belong to government and no one, even civil society, can ask for them to reveal that information to public. For some years there are no acts or regulation concerning about transparency of information. Information is maintained as governmental assets.

When the study is conducted, local governments from three regions of research field, which is Kabupaten Lebak, Kabupaten Kebumen, and Kabupaten Bantul, already have realized that an important way to force public officials changing their style of documenting public information is by making an Act, called Perda Transparansi Informasi (Local Regulation of Transparency of

Information). Refer to this regulation, all public officials under those local governmental obligate to conduct transparency of information. They have to take appropriate action, consistent with law and policy, to disclose information rapidly in forms that the public can readily find and use. They even should harness new technologies to put information about their operations and decisions online and readily available to the public. According to the Act, public officials should also solicit public feedback to identify information to greatest use to the public. The Act of Transparency of Information then is applied into technical assistance for policies and actions in making the information transparent for public. The three local governmental have already documents regarding of how each public institution must conduct their information transparent.

Kabupaten Lebak even made further step on good public governance by developing Komisi Transparansi dan Partisipasi (KTP or Commission for Transparency and Participation). Members of this commission are joined from government officials, civil society, and private sectors. This commission meets regularly to discuss current issues in governmental and give feedbacks for government.

The other local government, Kotamadya Bandung, firstly they have not made any regulation regarding of transparency of information. But, by the end of the research project in 2011, the government successfully issued an Act cooperated with local parliamentary for the region. The government has already published a book regarding of procedures for public institution and officials to disclose information for public.

Regarding of the implementation of transparency of information principles, research shows that Kabupaten Bantul and Kabupaten Lebak are good in implementing the principle. Chairman of Public Relations Office in Kabupaten Bantul as key informant explains ways for communicating with public. They use mass media, printed media, such as newspaper and magazine, and electronic media, such as television and radio for disseminating current issues regarding of local developments. For mainstream media, they maintain good relationship with local journalists with many ways of activities, such

as media briefing, that was conducted every week, media tour, which is asking journalist visiting the sites of realty development, media gathering, which was conducted by kinds of activities such as joint sporting or joint travelling to a tour destination, and many others. The local government had monthly bulletin as government magazine that is filled by information about government policies and actions toward local development to any level of public organizations, such as villages and non-governmental organizations. For television and radio, Public Relations on Kabupaten Bantul used traditional media to approach local public. They have weekly program of interactive dialog in local radio station and traditional program in local television station.

All of the studied regions have used many non-massed media to disseminate the government policies and actions. For example, they used Annual Local Exhibition to show public regarding to what they have been done previously. They use banner, brochures and leaflets too, for socializing a policy. For example, whenever the government wants to repair or replace public facility, they will announce it first to the public around. Kabupaten Bantul even used mobile-car to disseminate important information to public. Another tool, all of the local government under study have used website for delivering information to public.

Even though the principles of good public governance have been implemented by the regions under study, but there are some notes concerning of the implementation, as follows:

- a. There is no standardization yet regarding of the position and naming of the communicator in governmental organization structure. For Kabupaten Bantul, first the communicator is Kantor Humas dan Informasi, straightly under Bupati, but starting from 2009, the position was changed to Bagian Humas under Sekretaris Daerah, or one level decrease from the previous level. This position changes the pattern of communication between Bupati and Public Relations Officer that under new position has to wait for information flow from Sekda. For Kabupaten Kebumen,

Public Relations office is under Dinas Inforkomtelematika, which is the communicator of government is put on very low level of managerial. This position limites the ways of PR communicating with public.

- b. There is no standard institutions to maintain official website. A website is maintained by Dinas, other by Badan, and other by Kantor Pengolahan Data Elektronik. The differences of official then affect the information presentation in each website. This can be happened related with un-standardized position of communicator in organization structural.

## **4.2 Access to Information**

Access to information can be conceptualized as the citizen ability to obtain information about the past, present, and future activities of the state. The phrase "freedom of information" is also widely used when referring to the ability of individuals to gain access to information in the possession of state. Access to information is fundamentally about the quality of information available from the state, not the quantity. It has been argued that access to information is an essential element of democratic government. That is, for democracy to flourish, citizens must be adequately informed about the operations and policies of their government.

Research results show that not all government disseminate their current development planning documents. Most of disseminated information is concerning about the Bupati's current agendas and activities, profiles of the regions, profiles of the public officers, and so on. The studied local governments only disseminate annual report through mass media. Seemed that the officers thought kind of planning and strategic documents are not important for public to know and understand.

Kabupaten Lebak mase progress with disseminate information regarding procurement in their website. The information is very comprehensive, with information regarding the fee that has to be paid and the length of time for processing the offering. Furthermore, the sites also contained the procedure of taking the certificates or

letters from government.

Some notes can be derived from research results, as follows:

- a. Access to information needs good managerial documentation of government actions and activity, means that all documentation regarding of public officer performance should be maintained well.
- b. Professional officers for giving information regarding of government actions and activity are urgently needed, means that the person in charge with this issues should have competencies and capabilities in communication practices.

### **4.3 Mechanism to Information**

Mechanism to get information, can be conceptualized as the ways of citizens to obtain information. It refers to the rule and procedures to gain information that simple, straightforward and easy to apply for minimize the differences of interpretation.

Research results show that the studied governments have already put mechanism to get information in their websites. Except for Kabupaten Lebak, the other three local governments have collected feedbacks from public regarding of complains, inputs, or critics about government's services or developments.

There is a note regarding of mechanism of transparency of information, public still have to search for information about public services. Information about public services sometimes are being kept behind the wall, and only be provided by the officer when public ask for it. An issue regarding of mechanism is that information should be freely available whenever public need. Public do not have to ask about the information.

## **5. Conclusion**

Transparency of information encourages government accountability and public participation. Disclosure of information encouraged better information management. This in turn should result in better, more fact-based decision-making inside each

institution, as well as more effective communication between public bodies. Public engagement enhances the government's effectiveness and improves the quality of its decisions. Public should be given the opportunities to participate in policymaking and to provide their government with the benefits of their collective expertise and information. For asking public support to government, the government should open and transparent about what they have decided, how and why they took the decision. And with the support from public and private sector, then, government can proceed well, and result will be well, too.

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# Integrity of The Indonesian Supreme Audit Institution:

## The Gap Between Vulnerability To Integrity Violation And The Integrity Control System

Muhammad Wahyudi

### Abstract

*Holding strong integrity for the Auditor of the Indonesian Supreme Audit Institution (SAI) is a must since one of their responsibilities is to audit the management and accountability of public finance. Yet, there are still integrity problems facing these auditors in performing their duties. SAINT or Self-Assessment INTegrity is a tool which enables public sector organizations to assess their vulnerability and resilience to integrity violations.*

*By using the IntoSAINT framework for integrity, a particular version of SAINT customized to meet the specific needs of Supreme Audit Institutions, this paper collects the information from the staff of Indonesian Supreme Audit Institution (SAI) and ask them to assess its potential exposures to integrity violations especially within the auditing business process domain (inherent vulnerabilities). In addition to the vulnerability caused by characteristics of a function or process, this paper also tries to describe certain circumstances that, according to the employees, can increase the vulnerability of integrity violation (vulnerability enhancing factors) at the Indonesian SAI. The latter analysis indicates that personnel, management, and complexity are the three most prominent factors that can increase the vulnerability to integrity violation within the Indonesian SAI. Further, the strength of integrity control system that the Indonesian SAI has will also be assessed by the employees. Based on the gap analysis of the vulnerabilities and the maturity level of the integrity control system, it can be concluded that there is a gap between the two. It indicates that the integrity control system is less resilient to the vulnerabilities it is facing.*

**Keyword: Integrity, IntoSAINT, Vulnerability Profile, Integrity Control System, Supreme Audit Institution**

## 1. Introduction

Among public institutions, the Supreme Audit Institutions (SAIs) play a critical role, as they help promote sound financial management and thus accountable and transparent government. Further, an effective SAI can be one of the key institutions charged with the responsibility of controlling corruption through preventative measures (Sahgal, 1996). These roles require the Supreme Audit Institution and its auditors to hold a strong integrity values. Additionally, the public expects audit organizations and auditors that conduct their work in accordance to generally accepted government auditing standards (GAGAS) to follow ethical principles, in which one of them is integrity (GAS, 2007).

However, it is not easy to observe the integrity of an audit organization and the auditors. Integrity is not a simple concept to either define or measure. Many overlapping and distinct definitions are used. Indeed, there is no one best way to assess Integrity systems (Head et.al, 2008).

Global Integrity Report (2011) has included the valuation of Indonesian SAI integrity into one of its measurement. In their latest report in 2011, they gave Indonesian SAI a score 97, which is very strong. However, this report only measured the legal framework of the Indonesian SAI without further examine how the management inside the organization really works. Additionally, they used the perspective of people from outside the organization to value the integrity of Indonesian SAI, which may not be accurate because of the asymmetric information issue.

SAINT or Self-Assessment INTEgrity is a tool which enables public sector organizations to assess their own vulnerability and resilience to integrity violations. SAINT is a tool developed by the Netherlands Court of Audit in cooperation with the ministry of the Interior and the Bureau Integrity of the city of Amsterdam. SAINT was originally designed for public sector, but it has been customized to meet the specific needs of Supreme Audit Institutions (SAIs) called as IntoSAINT.

By using the IntoSAINT framework and methodology, this

paper aims to understand if there is a gap between the threats to integrity violation and the integrity control system at the Indonesian Supreme Audit Institution. To accomplish this objective, this paper will collect information from the Indonesian SAI employees and ask them to assess the inherent vulnerabilities to integrity violation of their organization's main business process, which is audit. In addition to the vulnerability caused by characteristics of a function or process, this paper will also try to describe certain circumstances that, according to the Indonesian SAI staff, can increase the vulnerability of integrity violation (vulnerability enhancing factors). Further, the integrity control system that the Indonesian SAI has will also be examined by the employees using the IntoSAINT framework. Having done these, I will try to describe if there is a gap between the vulnerabilities and the maturity level of the integrity control system within this organization.

## 2. Background

Integrity is a corner stone of good governance, and of course, the implementation of this value in public organizations heavily depends on its human resources i.e. the civil servants. Civil servants act with integrity if they observe the values and standard of good administration. It is not only the requirements of incorruptibility but also values such as honesty, sincerity, sociability, neutrality, consideration, reliability, customer focus, respect, objectivity, and decency (Intosaint manual, 2010). A similar condition is true for an organization. Additionally, an organization must also do all which can ensure that its personnel will not succumb to temptation.

Responsible internal financial management is crucial to national integrity, but national audit offices, or supreme audit institutions (SAIs), are (or at least, should be) the linchpin of a country's integrity system (Dye & Stapenhurst, 1998). It is because the agency responsible for auditing government income and expenditure. The supreme audit institution acts as a watchdog over financial integrity and the credibility of reported information (as well as 'performance'

or 'value-for-money' auditing.

Those SAI responsibilities mentioned before require themselves to have a strong and good integrity in place before they could measure integrity of others institution. Yet, integrity is a really a broad concept to either define or measure.

The concept of integrity itself is as yet not clear and still contested (Montefiore, 1999; Chapman, 2000; Brenkert, 2004). Huberts (2005; Six and Huberts, 2008) identified a range of different perspectives, ranging from integrity as wholeness to integrity as exemplary moral behavior or integrity as the quality of acting in accordance with laws and codes.

OECD (2009) describes integrity as acting or being in accordance to the moral values, norms and rules, valid within the context in which one operates. Within an organizational context, it denotes 'the quality of acting in accordance to the moral values, norms and rules accepted by the members of the organization and its stakeholders. Integrity is a quality or characteristic of individual or organizational behavior.

Indeed, to measure integrity, various aspects such as the complexity, change in organization, management, and personnel, need to be taken into account. Additionally, assessing the existence of risks to integrity violation is also a crucial part of integrity system assessment because they could harm the government (Nieuwenberg, 2007) and lead to financial losses and organizational problems (Ouchi, 1979; Eisenhardt, 1989).

An organization, either it is private or public organization also need a means by which an organization's resources are directed, monitored, and measured to accomplish the organization's objective. This tool is what we called as internal control. COSO (2011) defined internal control as a process affected by entity's board of directors, management, and other personnel designed to provide reasonable assurance regarding achievement of the objectives in the following categories: effectiveness and efficiency of operations, reliability reporting, compliance with applicable law and regulations (COSO, 2011). Including in these objectives is the integrity. The

integrity control system, part of internal control process, is the body of measures in place to promote, monitor, and maintain integrity (Intosaint manual, 2010). Therefore, as part of assessing integrity of an organization, we should also consider how the existing integrity controls system are able to detect, prevent, or eliminate integrity violation. In other words, as part of assessing integrity of an organization, we should also examine its integrity control system.

SAINT or Self-Assessment INTeegrity is a tool which enables public sector organizations to assess their vulnerability and resilience to integrity violations. The vulnerabilities are defined on a higher level of abstraction than integrity risk. It indicates area where risks are more likely to occur. Thus, it is useful to focus on vulnerabilities because it provides a good insight into potential problems and ways to address them (Intosaint manual, 2010). SAINT is originally designed for public sector, but it has been customized to meet the specific needs of Supreme Audit Institutions (SAIs) called as IntoSAINT.

IntoSAINT incorporates various aspects in assessing integrity. IntoSAINT will not only assess the vulnerabilities of SAIs to integrity violation but also examine the vulnerabilities enhancing factors, and the integrity control system.

Inherent vulnerabilities is a measured of vulnerability of some functions or processes in the public sectors compare to others. Vulnerabilities enhancing factors is a certain circumstances or factors that may increase vulnerability to integrity violations. These factors can increase vulnerability because:

- They increase the probability of an incident occurring
- They increase the impact of an incident (not only financially but also with regard to credibility, working atmosphere, relation image, etc).

As it has been explained above, the integrity control system is the body of measures in place to promote, monitor, and maintain integrity. Further, in this methodology, integrity control system is

examined to understand if it is strong enough to overcome the threat to integrity violation in the Supreme Audit Institution organization.

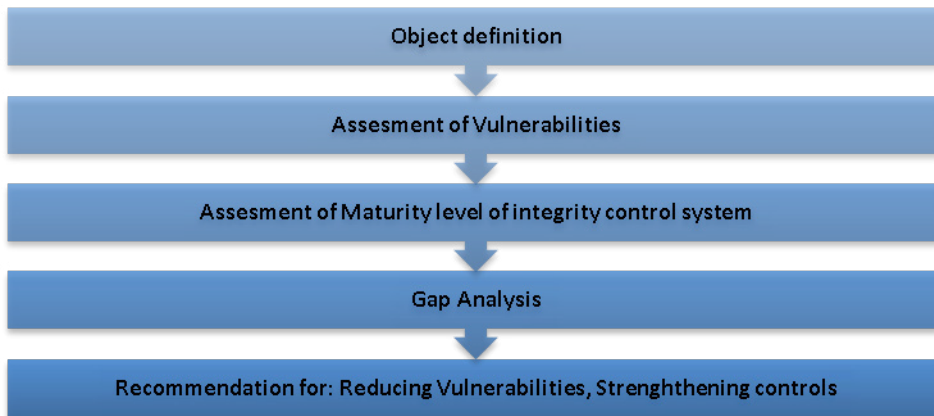
### **3. Methodology**

IntoSAINT is designed as a self-assessment tool. It is a self-diagnosis tool presented as a one day workshop for 10-15 participants. Self-assessment means that the organization itself tests its resilience to integrity risk. The assessment draws on the knowledge and opinion of the staff of the organization in which they are currently working, not a specific working unit. This approach is based on the belief that the staff has the best insight into the potential weaknesses and the staff makes recommendation on how to strengthen the resilience.

The workshop is presided over by an experienced mentor. His or her role can be best described as that of a process supervisor. The moderator leads the participant through the various steps in the workshops and shows them how to identify the main vulnerabilities and risks and how to formulate recommendations to strengthen the integrity management system in order to eliminate or minimize vulnerabilities and risk.

This paper collects the information of integrity self-assessment from 20 Indonesian Supreme Audit Institution employees. Even though this is only a one workshop, and thus has a small number of samples, the information was drawn from Indonesian SAI auditors in various office branches.

The following diagram presents a schematic overview of the assessment methodology.



**Figure 1 IntoSAINT Assessment Methodology**

1) Analysis of object and its processes

The first step is to define the object of the assessment and to analyze the relevant processes. The object may be the entire SAI or organizational entities of the SAI. For this paper, I define the object as a whole organization of Indonesian SAI and choose the audit process as the relevant process. The audit process in this matter begins with the annual audit planning, audit planning process, field audit process, audit reporting, audit recommendation follow up process, and the quality assurance process.

2) Assessment of vulnerabilities

In this step, an estimate is made of the vulnerability, i.e. the potential exposure to integrity violations of the audit process. This step consists of four sub steps:

- a. Relating the process to an overview of processes in the public sector that is known to be vulnerable to breaches of integrity or inherent vulnerabilities. Some functions or processes in the public sectors are more vulnerable than others. This we called as inherent vulnerable processes or functions. For instance, procurement process is more vulnerable to breaches of integrity than archiving. Since I have chosen the audit process as the only business process that I would like to analyze, the respondent will only require to assess the inherent vulnerabilities' of the

audit process.

To assess the level of inherent vulnerability, the respondents match the audit process with the applicable score. The extent of vulnerability is indicated using the following scoring method.

**Table 1 Inherent Vulnerabilities Score**

Score	Inherent Vulnerabilities to Integrity Violation of Audit Process
0	Not Important
1	Relevant
2	Important
3	Very important

- b. Considering the presence or absence of vulnerabilities enhancing factors

In addition to a function process characteristic, certain circumstances or factors may increase vulnerability to integrity violations. These factors can increase vulnerability because:

- They increase the probability of an incident occurring
- They increase the impact of an incident (not only financially but also with regard to credibility, working atmosphere, relation image, etc).

Within the framework of this assessment method, the vulnerability increasing factors are divided in the following five clusters:

- Complexity  
Included in this cluster is innovation/advanced (computer) systems, complex legislation, special constructions (legal/fiscal), bureaucracy, networks of relations, lobbying, political influence/intervention/assignments, mix of public-private interests (commerce/competition), and need for external expertise, which all of them may or may not enhance integrity violation.
- Change/dynamic  
Included in this cluster is the valuation of the situation if young organization, frequently changing legislation,



strong growth or downsizing, privatization/management buy-out, outsourcing, crisis (reorganization, threats with huge impact, survival of the organization or job at stake), external pressure (pressure on performance, expenditure, time, political pressure, shortages/scarce resources in comparison with duties) would increase the vulnerability.

- Management

This cluster assesses if some factors in the management system such as dominant, manipulative, formal/bureaucratic, remuneration strongly dependent on performance, lack of accountability, ignorance, and defensive response to criticism or complaints could actually harm the integrity.

- Personnel

Included in this cluster is the assessment of personnel related factors such as work environment/loyalty, pressure on performance/income dependent on performance, low status/lack of esteem/low rewards/low career prospects, poor working conditions/high workload, group loyalty, etc. that may has any effect to integrity violation.

- Problem history

This cluster assesses if some problem history of individuals such as gossip and rumors, earlier incidents, administrative problems etc. could harm the integrity of an individuals.

In each cluster, the respondents are asked to identify the score of vulnerability enhancing factors using the following scoring method.

**Table 2 Vulnerability Enhancing Factor**

<b>Score</b>	<b>Inherent Vulnerabilities to Integrity Violation of Audit Process</b>
0	Not Enhance Vulnerability/ Doesn't Exist
1	Less enhance Vulnerability
2	Enhance Vulnerability
3	Very Enhance Vulnerability

- c. Overall assessment profile of the perceived vulnerability
 

The results of previous steps (2 and 3) are summarized in a vulnerability profile for an organization. First, the average level of inherent vulnerability is computed and next the average level of the clusters of vulnerability enhancing factors. For the inherent vulnerabilities, as well as the vulnerability enhancing factors, the assessment uses the following criteria to determine the level of vulnerability.

**Table 3 Vulnerability Level**

Average Score	Level
Average < 0,8	Low
0,8 ≤ average ≤ 1,6	Medium
Average > 1,6	High

- d. The overall level of vulnerability
 

The vulnerability profile is based on the overall picture of the inherent vulnerabilities and the vulnerability enhancing factors. The combined levels of inherent vulnerabilities and vulnerabilities enhancing factors lead to the overall level of vulnerability. The vulnerability profile is determined on the basis of the following table.

**Table 4 Vulnerability Profile**

Vulnerability Enhancing Factors Inherent Vulnerabilities	Low	Medium	High
Low	Low	Low	Medium
Medium	Medium	Medium	High
High	High	High	High

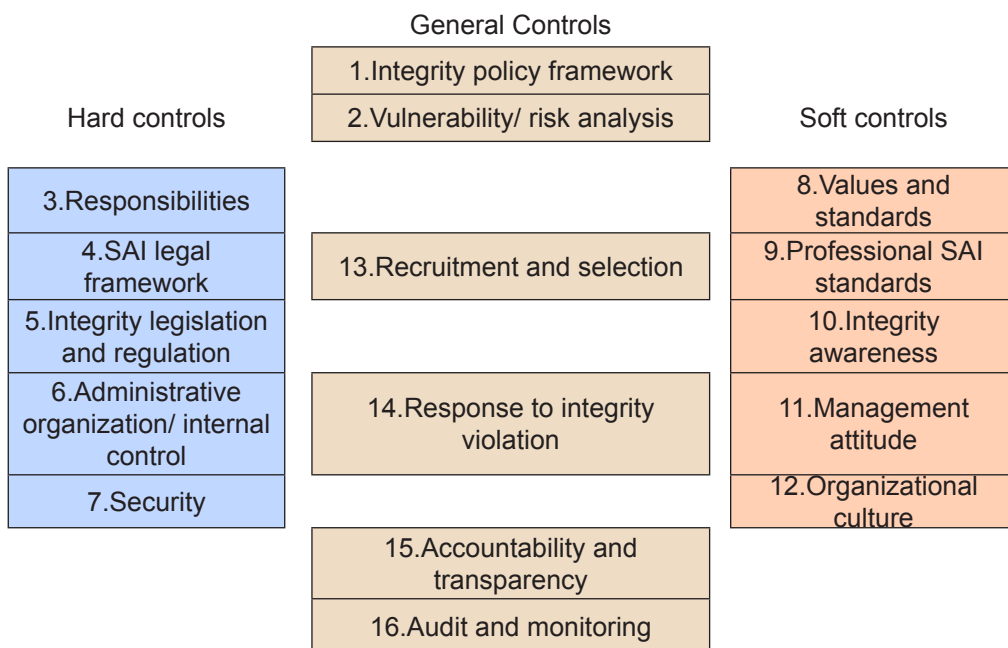
- 3) Assessment of the maturity of the integrity control system
 

In this step, the participants assess the maturity of the integrity measures that together form the organization’s integrity control system. The system is divided into 16 clusters, with the clusters being subdivided into three blocks (general, hard, and soft

controls). The IntoSAINT method derives that clusters from many literatures as well as the international standards for supreme audit institutions. The assessment of the maturity level of the integrity control system takes into account the existence, implementation, and the performance of the controls. Additionally, it provides an insight into the resilience the organization has already built up to integrity violation.

Those 16 clusters are shown in the model below.

**Figure 2 Clusters of Integrity Control System**



Few steps in assessing the integrity control systems are:

- a. Brief introduction to the integrity control system, made up of measures, clusters, and categories;
- b. Brief introduction to the maturity level;
- c. Assessment of the maturity level of all the measures by awarding them points;

In this step, the maturity of integrity control system is assessed by giving score to some categories given in each cluster.

**Table 5 Maturity Level Scoring for Categories in Each Cluster**

Score	Criteria
0	The measure does not exist
1	The measure exist The measure is not implemented/ not observed
2	The measure exist The measure is implemented/ observed The measure is not effective
3	The measure exist The measure is implemented/observed The measure is effective

d. Summary of the scores to produce an average per cluster and block; this shows which clusters and block are relatively strong or weak.

The next step would be to average the score of each cluster and then calculate the total average score. The overall average score determines the level of maturity of the integrity control system as a whole. See the table below.

**Table 6 Score Maturity of the Integrity Control System**

Score	Level
$0 \leq x \leq 1$	Low
$1 < x \leq 2$	Medium
$2 < x \leq 3$	High

4) Gap analysis

Having the information of overall vulnerabilities to integrity and the integrity control system, it becomes possible to analyze whether the existing system controls is more or less in balance with the level of vulnerability of the organization. If both levels are not in balance, it means that there is a gap. This step of this analysis will show the remaining vulnerabilities after the intervention of the relevant integrity control system.

5) Management report and recommendation

The gap analysis result will be able to give us answer about

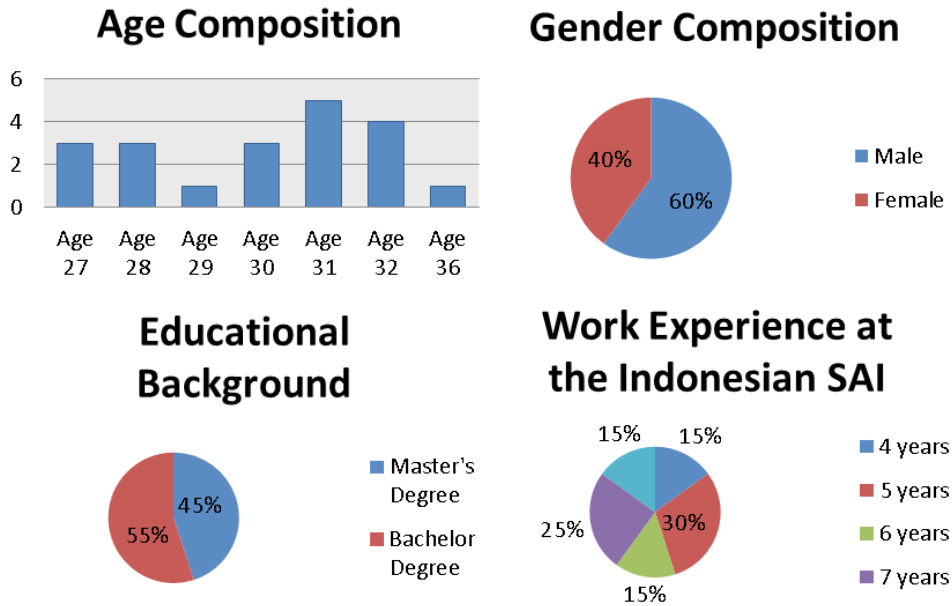
which measures are the most appropriate to make the vulnerable process more robust.

## 4. Results

### 4.2. The Participant Demography

The total participant in this survey/ workshop is 20 auditors at the Indonesian Supreme Audit Institution. Ten of them work at the central office and the other 10 works at the regional offices. Some other demographic information of the participant is as follows:

Figure 3 Respondent Demographic Information



### Inherent Vulnerabilities

Inherent Vulnerabilities	Average	Std.Dev	Value
Inspection/Audit	2.05	0.39	High

### Vulnerabilities Enhancing Factors

Vulnerabilities enhancing factors	Avg	Score	Std. Dev
1 Complexity	1.88	High	0.41
2 Change/ dynamic	1.79	High	0.57
3 Management	1.97	High	0.45
4 Personnel	2.08	High	0.45
5 Problem History	1.73	High	0.45
Overall average	1.89	High	0.39

### Vulnerability Profile

Based on the inherent vulnerability score and the vulnerability enhancing factors, the overall level of vulnerability is **high**.

### Assessment of Integrity Control System

No.	Clusters of controls	Average	Std. Dev.	Value
*	General Controls	1.52	0.72	Medium
1	Policy framework	1.32	0.86	Medium
2	Vulnerability/ risk analysis	0.95	0.90	Low
13	Recruitment and selection	1.94	0.67	Medium
14	Response to integrity violation	1.43	0.64	Medium
15	Accountability	1.95	0.44	Medium
16	Audit and monitoring	1.47	0.74	Medium
*	Hard controls	1.71	0.68	Medium
3	Responsibilities	1.19	0.93	Medium
4	SAI legal framework	2.08	0.41	High
5	Integrity legislation and regulation	1.60	0.69	Medium
6	Administrative organization and internal control	1.78	0.61	Medium
7	Security	2.05	0.67	High
*	Soft controls	1.59	0.70	Medium
8	Values and standards	2.21	0.57	High
9	Professional SAI standards	2.11	0.45	High
10	Integrity awareness	1.09	0.78	Medium
11	Management attitude	1.24	0.93	Medium
12	Organizational culture	1.30	0.77	Medium
	Overall Average	1.61	0.49	Medium

## 5. Discussion

### 5.1. Respondent Demography

The total number of respondent in this survey/ workshop is 20 people. The youngest age is 27 years old and the oldest is 36 years old. Average respondent age is 30 years old. The number of male respondent is 12 and female respondent is 8. Nine of them hold Master’s degree and 12 of them have bachelor’s degree. The average work experience of the participant is 6 years with the

smallest number is 4 years and the longest work experience is 8 years.

## 5.2. Vulnerability Profile

The average score of inherent vulnerabilities is high (2.05). Thus, it indicates that inspection/ audit process has a high value of inherent vulnerability. The respondents consider the inspection/ audit process has a high inherent vulnerability because the auditors are vulnerable to undue influences. They may be tempted to limit the scope of their inspections and audits (audit objective and sampling) or to issue a more favorable opinion or audit findings.

The overall average of vulnerability enhancing factor indicates that it also has a high score value (1.89). The participants consider that the three most prominent contributing factors enhancing the vulnerability of the integrity violation are personnel, management, and complexity.

The personnel issue as the most prominent factors that can enhance vulnerability is dominated by the thought that the workload is still incompatible with the reward (in terms of either financial reward or non-financial reward). Even though the Indonesian SAI has been implementing the remuneration system, the survey participants still view that it is not equal with the workload they done. For example, because of the limited number of employee, the auditors are mostly conducting audit almost all year long, yet with only a small number amount of compensation compare to private sector. With regard to non-financial reward, the survey participants think that the promotion system at the Indonesian SAI is still unclear. Thus, it cannot guarantee a good career improvement in the future. Another personnel issue that can threaten the integrity violation of the auditors is the existence of personal threat by either internal and external institution or individual to conduct the audit as well as creating audit report as those parties demanded.

A manipulative management and the lack of management accountability are also considered as a trigger to integrity violation. For example, the survey participants think that few times the

opinion of financial audit has been determined in advance, prior to audit field process such as in Bekasi case and Tomohon case. Thus, it forces the auditors to make up some numbers and modify the data to obtain that objective. Another form of manipulative management is the absence of transparency of some management activity that the survey participants think could lead to the inappropriate use of state fund.

Complexity factor that the survey participants view as a threat to integrity violation is the influence of politics. This could take the form such as the intervention of the audit process as well as a lobbying activity to influence the audit results.

One of the consequences of those conditions mentioned above is that the potential of the subordinate i.e. the staff of the Indonesian SAI to not to trust his superior (manager). The staff may see that the superior pursue his/her own goals rather than the organization goals, and thus unable to convince the subordinate to cooperate. Since one of the conditions of an efficient organization is the ability of the managers to convince the employee to cooperate (Miller, 1992), this kind of situation might actually lead to control problem. Consequently, it will make the integrity risk even worse because the managers will not be able to control its employee.

### **5.3. Maturity of Integrity Control System**

The overall average score of Indonesian Supreme Audit Institution's integrity control system shows that it has medium level (1.61).

Based on this survey result, the strength of integrity control system of Indonesian SAI is in three clusters:

#### 1) Value and standard

The concept of integrity is closely associated with values and standard. An act's integrity can be measured by its compatibility with the system and values and standards prevailing in the organization. The values must be meaningful to the organization and the standards should be universally acknowledged. The values and standards should be incorporated in the mission and



laid down in the code of conduct. When a new government officer takes an oath or pledge, he should be informed and made aware of the values and standards applicable within the organization. The Indonesian SAI has already had a core values and codes of conduct. Further, it has also taken an oath or pledges of its auditors to honors these core values, codes of conduct, constitution, and all other related laws and regulations. Thus, the existence of this standard is considered by the staff as one of the strength in the Indonesian SAI integrity control system.

## 2) Professional SAI standard

Due to the specific nature of Indonesian SAI and the importance of independent government auditing, it is very important that SAIs and their staff maintain the highest standard of ethical conduct. These values and standard should continuously be promoted and reinforced in order to influence staff to behave correctly. Indonesian SAI has a Government Auditing Standard as guidance in conducting the audit. And, in each of their audit assignment, the auditors must comply with this standard. The audit standard is considered by the Indonesian SAI employee as one of the tools in the integrity control system.

## 3) SAI Legal Framework

The integrity of the SAI and its independence and impartiality are essential condition in order to fulfill the duties of the SAI effectively and appropriately. SAIs are considered to play a vital role in the integrity system within a country, being part of the necessary checks and balance in public sector. Thus, it requires a solid legal framework. The position of Indonesian SAI is vested in the article 23E, 23F, 23G of the 1945 constitution. Additionally, the position of Indonesian SAI has also been strengthened by the law number 15, year 2006 that specifically explains the role and responsibility of the Indonesian SAI. Therefore, the survey participants view that, in terms of legal framework, the existence and independence of the Indonesian SAI is embedded in the constitution.

#### 4) Security

Security plays an important role in protecting organization's integrity. Security must be thoroughly thought out so that the organization enjoys the protection it deserves. For integrity purposes, both physical and information security are of great importance. The Indonesian SAI has implemented a door access card, computer with individual security password, a safe filing system of its working papers. Therefore, the respondents consider that the Indonesian SAI has had both the physical and information security.

However, the three weakest areas within the Indonesian SAI integrity control system according to the workshop participant are:

##### 1) Vulnerability/ risk analysis

A vulnerability analysis entails a systematic analysis of actions, processes, and positions that are exposed to possible integrity violations. The key question for this cluster is if a general vulnerability/ risk analysis regularly carried out. Further, it questions if an indepth analyses is conducted for vulnerable areas and positions.

At the Indonesian SAI, the vulnerability analysis has never been done regularly. Thus, the information about integrity risk within the organization cannot be identified. Consequently, to assure if a baseline of integrity controls is good enough to overcome the existing integrity risk cannot be identified.

##### 2) Responsibilities

To embed integrity management in an organization, the responsibilities of the various positions and position-holders must be clear. If they are not, it will be uncertain who is involved in integrity management and who is responsible for it. Responsibilities should be placed with the regular functions in the organization but it might also be necessary to create specific management positions that have their own powers and responsibilities (counselors, integrity coordinators, etc). The Indonesian SAI does not have a special working unit/ special task force that specifically deal with integrity issue. Thus, the survey

participants view that the responsibility related to integrity problem is yet to be optimal. The current inspectorate unit that should be responsible with the integrity issue of the auditors is more likely doing their job in a more reactive way than preventive. They only handled the integrity related issue once a case occurs.

### 3) Integrity Awareness

As well as measurement to increase the organization resilience to integrity violations, investment should be made in the moral resilience of individual members of staff. Attention should therefore be paid to training and educating the auditors so that they can respond correctly in high-risk situations or if they face dilemmas at work. Though the Indonesian SAI requires its auditors to have a continuous training, integrity has not yet explicitly been introduced to each position in the Indonesian SAI. Additionally, no training specifically discusses about integrity yet. The staff have not yet received periodically assistance or continuous training related to integrity risk. These conditions are considered by the survey participants will lead to a low integrity awareness of the staff.

## 6. Gap Analysis

The previous analysis shows that the overall average of vulnerability profile at the Indonesian SAI is high while its maturity level of integrity control system is medium. Therefore, based on these conditions, we can conclude that there is an imbalance between the vulnerability and the integrity control system. Further, this condition also implies that even after we count for the existing integrity control system, some vulnerabilities remain exist. However, it opens an opportunity for the improvement of Indonesian SAI integrity control system because it is not possible, for Indonesian SAI, to eliminate activities sensitive to integrity.

To be able to find out which vulnerabilities are not properly addressed by the existing integrity control system, the participants then look at what specific "gross risk" are not completely covered by the effect of countervailing measures. The survey participants look

at the vulnerabilities profile they have created and then determined what would be a specific risk in the inspection and audit business process that the current integrity control system unable to cover. Having done that, they also determine what would be the specific integrity control measurement that could be applied to overcome these specific risks. For this latter step, the participants consider all of the elements of the integrity control system they have assessed before. It is not just for the low or medium one but also the integrity control with a high score. This is done to see which areas of integrity control system that need to be improved overall. The main suggestion for the improvement of integrity control system would be to create a stronger regulation especially within the organization and the improvement of the auditor's well being. The specific risk and specific integrity control system improvement is on appendix 1.

## **7. Conclusion**

IntoSAINT is designed as a self-assessment tool which enables public sector organizations to assess their vulnerability and resilience to integrity violations. IntoSAINT will not only assess the vulnerabilities of SAIs to integrity violation but also examine the vulnerabilities enhancing factors, and the integrity control system.

By using the IntoSAINT framework for integrity, this paper collects the information from the staff of Indonesian Supreme Audit Institution (SAI) and ask them to assess its potential exposures to integrity violations especially within the auditing business process domain (inherent vulnerabilities), some factors that can enhance vulnerabilities, and the maturity of integrity control system.

The survey result shows that inspection/ audit process has a high value of inherent vulnerability because auditors are vulnerable to undue influences. The overall average of vulnerability enhancing factor indicates that it also has a high score value. The participants considered that the three most prominent contributing factors enhancing the vulnerability of the integrity violation are personnel, management, and complexity. Therefore, based on the inherent

vulnerability scores and the vulnerability enhancing factors, the overall level of vulnerability of integrity violation at the Indonesian SAI is high.

The overall average score of Indonesian Supreme Audit Institution's integrity control system shows that it has medium level. The three strongest score are the value and standard, SAI legal framework, and professional SAI standard. In contrast, the three lowest score are the vulnerability/risk analysis, responsibilities and integrity awareness.

Since the vulnerability profile is high and integrity control system is medium, it can be concluded that there is an unbalance between the two. Even after we count for the existing integrity control system, some vulnerabilities remain exist.

## **8. Limitation**

This research is a pilot project, thus, it only draws opinion from a small number of employee. Even though the participant comes from various offices at the Indonesian SAI (central and regional), the demographic information such as the work length and age are less varies than it should be (real population). Therefore, further research with a more vary sample size would be needed to infer this research as the opinion of the whole staff of the Indonesian SAI.

This research only shows us that there is a gap between the vulnerability profile and the current integrity control system. It do not examine the strength or weaknesses of this methodology that is being used. Another research may be needed to answer this question.

This is a voluntarily base survey. Thus, we cannot control for the reasons why people join this survey and thus affect his/her opinion. However, to overcome this issue, the survey is assisted by a mentor so that it is expected the participant will have the same level of information about what was being asked.

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## Appendices 1

Detailed Risk Analysis	
Specific Risk	Specific Controls
Audit Process	
Planning Process: a. Planning the annual audit b. Planning the audit objective c. No strong argument when changing the audit objective plan d. Unstandardized audit team composition e. Unstandardized audit man-days f. Audit program is less detail/ not up to date	Planning Process: a. The annual audit planning is based on objective consideration and minimizes the intervention of unauthorized person. Any changes should be documented b. Creating an adequate audit procedure c. Creating a guideline in determining audit objective d. Do entity's risk analysis comprehensively and update it regularly e. Audit program and audit expectation is created according to types of audit and entity condition f. Audit man-days is adjusted with the entity characteristic/size g. Assessment function result is used for team composition h. Creating a standard operating procedure for team composition i. There is an effort to improve the audit standard and code of conduct j. Sample should be determined based on a rational analysis  Field audit process: a. Insurance for the auditors as well as legal protection b. Implementation of four eyes principle to increase auditor integrity c. The completeness and a well-structured working paper, and the relevance of criteria with audit findings d. Minimize the intervention when writing an audit report e. Less physical contact with the auditee f. Establish a regulation related to auditor protection in conducting audit g. Creating a helpdesk or call center if the auditors found difficulty in the audit field
Field audit process: a. Choosing the sample b. Audit not conducted according to standard c. Gratification given to auditor to influence the audit result d. Intervention/ intimidation either by the auditor or from the auditor to the auditee e. Natural threat f. Collusion between auditor and auditee g. Deletion or reduction of audit findings h. Audit report discussion i. Not optimized sampling method j. Untidy audit documentation k. Audit expectation is not accomplished	
Reporting phase: a. Intervention from the management b. Lawsuits on audit result c. Bad audit quality	
The decline of auditor's competency and professionalism	
Conflict of interest	
Given the authority not to the right person	
Unstandardized supervision process	
A high workload	

Detailed Risk Analysis	
Specific Risk	Specific Controls
	<p>Reporting process:</p> <ul style="list-style-type: none"> <li>a. The audit member board should come from a professional career path, not politician</li> <li>b. A clear and standardized audit opinion, audit conclusion, audit follow up, and audit reporting process</li> <li>c. Optimize the supervision process to increase the quality assurance</li> <li>d. Optimized the review process on audit report</li> </ul> <p>Others:</p> <ul style="list-style-type: none"> <li>a. An effective quality control and quality assurance</li> <li>b. Training to increase auditor competency</li> <li>c. Improvement of facilities and infrastructure in audit</li> <li>d. Increasing auditor well-being</li> <li>e. Rotation process by considering employee's background</li> <li>f. Implementing the reward and punishment system</li> <li>g. Regular internal rotation of auditors</li> <li>h. Creating a whistleblower system</li> </ul>



I N T E G R I T Y I N T H E  
P U B L I C S E C T O R :  
E S T A B L I S H I N G  
G O O D P R O C U R E M E N T S Y S T E M S

# The Advantages of LPSE in Enhancing Transparency and Accountability on Public Procurement in Indonesia

Wahyu Mahendra

Citra Yuda Nur Fatihah

## Abstract

*Many corruption practices occur in Indonesia especially in public procurement. Corruption Eradication Commission states that approximately 70-80% from the total cases were coming from public procurement since public procurement does not promote transparency and accountability. This situation and condition is getting better since the existence of LPSE.*

*This research is aimed to know how LPSE can promote transparency and accountability in the procurement process. To address this question, researchers use qualitative method by conducting study literature during February-March 2013. As results, researchers find that LPSE gives real contributions in improving transparency and accountability because LPSE provides open information to public, easier access to control. Therefore, government is much more under controlled by public.*

**Keywords:** *corruption, public procurement, LPSE, transparency, accountability*

## 1. Introduction

There are two key areas in the public sector in which corruption in Indonesia can be found. These are the justice and civil service sectors. While hard data on corruption are difficult to collect, though the corruption cases in Indonesia are clearly seen by public. Data are collected through a set of survey questions as well as observation on how each system is run (Lateef, 2003). Corruption surrounds every single sector in the government. Hence, in 2012, Indonesia corruption ranking was 118 among 176 countries, based on Corruption Perception Index 2012 by Transparency International ([www.tempo.co](http://www.tempo.co)). This ranking shows that Indonesia Corruption Index is still bad. Moreover, it also shows that 2012 Indonesia's CPI became worse than 2011; ranked 100 among 183 countries around the world ([www.nasional.kompas.com](http://www.nasional.kompas.com)).

Corruption cases occur in many public sectors. They commonly happen in the public procurement services. Based on KPK (Corruption Eradication Commission) report, approximately 70-80% from the number of corruption cases are corruption in the procurement ([www.tempo.co](http://www.tempo.co), see also [www.hukumonline.com](http://www.hukumonline.com)) These cases occur in many fields both central and local government, such as land, sport center, fertilizer for the farmer, and the worst example is procurement for holy Quran, it is also corrupted.

Corruption in public procurement occurs in the form of bribery, collusion, kick-back, and its structure (<http://accountability.humanitarianforumindonesia.org>). Public procurement also becomes good target for the corruptor since spending through procurement in Indonesia is approximately 30% from 2012 National Budget (APBN) or more than 460 billion Rupiah. So, if corruption in public procurement contributes 44% to the budget, it means that our country loses 202,4 billion Rupiahs (Kaunang, [www.madina.co.id](http://www.madina.co.id)). This amount is very huge because it can be allocated to fund public infrastructures and to subsidize the poor.

The effect of corruption is widely and multiply because the quality of goods and services become lower due their specifications do not meet the requirement. In addition,, inefficiency in business

also happened tremendously because according to the World Bank & IFC Enterprise survey, nearly 15% of the companies reported being expected to pay bribes to public officials to 'get things done'.<sup>1</sup> They found that it is hard to 'get things done' by doing on the proper way because the competition among themselves is very tight.

Furthermore, direct contact in the provision of services provides wide chance of corruption to occur. Therefore, it needs an effort to reduce or even eliminate the practice of corruption by utilizing information and communication technology (ICT) in the frame of electronic government to deliver the services, so that direct contact between service providers and service users are no longer occurring. It helps the government to enhance transparency and accountability in public procurement so that government can minimize corruption practices.

In Indonesia, the opportunity to implement the electronic government has already existed with the issuance of Presidential Decree No. 3 of 2003 on National Policy and Strategy Development of electronic-Government (electronic-Government framework), with the aim of supporting the change to democratic governance, facilitating communication between central and local governments, ensures the implementation of the principles of good governance, and facilitating the transformation towards an information society (Holle, 2011:1-2). In responding to this Presidential Decree, the government implements electronic procurement named LPSE (Layanan Pengadaan Secara Elektronik/Electronic Procurement Services) by piloting project 11 LPSE. By this application, government expects that corruption cases in procurement can be reduced. So, can LPSE improve transparency and accountability in public sector and how?

## 2. Literature Review

World Bank (2004) defined electronic government as the

1 The survey measures the perceived level of corruption in local government of 50 cities in Indonesia, considering the likelihood of a public official to engage in corruption and the local government efforts in curbing it.

use by government agencies of information technologies that have the ability to transform relations with citizens, businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions (Grönlund, 2008:3652).

Transparency is the foundation for trust and confidence in government operations. Transparency in communication is essential in increasing the trust and confidence of citizens to the government. The need for transparent interactions increases as government programs and services are provided through third parties and networks so that citizens and other stakeholders fully understand the nature of these relationships (Callahan, 2007 :203). By any commonsense estimation, governmental transparency, defined broadly as a governing institution's openness to the gaze of others, is clearly among the pantheon of great political virtues. Transparency is a fundamental attribute of democracy, a norm of human rights, a tool to promote political and economic prosperity and to curb corruption, and a means to enable effective relationship between nation states. The transparency appears to provide such a remarkable array of benefits that no right-thinking politician, administrator, policy work, or academic could be against it (Fenster, 2006:888).

Transparency is sometimes more narrowly defined as "the release of information which is relevant for evaluating institutions" (Bauhr & Nasiritousi). Using a terminology derived from the principal agent framework, Lindstedt and Naurin make a distinction between agent controlled and non-agent controlled transparency. The release of government information by governments can be seen as a typical instance of agent controlled transparency, while the use of that information by external actors, such as the media, NGO or citizens is non-agent controlled. These definitions comprehensively capture

a broad range of aspects related to government transparency and therefore offer valuable baseline definitions. Exploring the effects of transparency may, however, require definitions more specifically tailored to the theoretical predictions under examination. (Bauhr and Grimes, 2012, p.4-5).

Richard Mulgan's definition of accountability emphasizes precisely this external nature of the accountability relationship (2000:555). He argues that accountability includes three central elements: (1) "It is *external*, in that the account is given to some other person or body outside the person or body being held accountable"; (2) "It involves *social interaction* and *exchange*, in that one side, that calling for the account, seeks answers and rectification while the other side, that being held accountable, responds and accepts sanctions"; and (3) "It implies *rights of authority*, in that those calling for an account are asserting rights of superior authority over those who are accountable" (Ackerman, 2005:4). Meanwhile, Callahan (2007:108) defined public sector accountability as the obligation of authorities to explain publicly, fully, and fairly, how they carry out, or fail to carry out, responsibilities that affect the public in important ways. It is an obligation to account for one's actions.

### **3. Methodology**

This research uses qualitative approach and quantitative method by using literature study and interview during 2013. According to Creswell, qualitative research is "Exploring and understanding the meaning individuals or groups ascribe to a social or human problem. The process of research involves emerging questions and procedures, data typically collected in the participant's setting, data analysis inductively building from particulars to general themes, and the researcher making interpretations of the meaning of the data." (Creswell, 2009:4). From this definition, researcher uses qualitative research in order to get the finding based on interpretative data. In analyzing data, researcher does three simultaneously activities based on Miles's and Huberman's notion, that are reducing data,

displaying data, and drawing conclusion (Miles and Huberman, 1994).

## 4. Research Results

In this part, researcher will explain disadvantage of manual procurement and its impact in the government activities, LPSE or government service for electronic procurement, the advantage of electronic procurement by using LPSE, and analysis of problems occurred in implementing LPSE.

### 4.1 Disadvantages of Manual Procurement

Gray and Kaufmann (1998) defined corruption as “the use of public office for private gain”. Meanwhile, Asian Development Bank defined corrupt practice more specifically as “...the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party (Thai, 2009:20-21). During 2012-2013, there are several cases of corruption in procurement which harm the country because its high impact, as presented below:

**Table 1-Sample of Corruption Cases in Procurement Process in Indonesia**

No.	Goods/Service	Total Losses (in Rupiah)	Institution
1	Land Area	19.000.000.000	Banyuwangi Resident, West Java
2	Fertilizer	887.886.363	Department of Agriculture, Nusa Tenggara Timor Resident
3	Driving License Simulator	33.700.000.000	Headquarters of Indonesian National Police
4	Books for the Library	570.000.000	Department of Education, Sibolga Regency, West Sumatera
5	Holy Quran	14.000.000.000	Ministry of Religion
6	Hambalang Sport Center	243.000.000.000	Ministry of Youth and Sports
7	Fire Trucks	97.026.000.000	Ministry of Home Affairs
8	Patrol Boat	1.300.000.000	Department of Fishery, Rokan Hilir Regency, Riau
9	Anthelmintic	7.100.000.000	Sanggau Regency, West Kalimantan
10	Avian Influenza Vaccine	693.000.000.000	Ministry of Health

Source: compiled from various resources

The cases mentioned above are only a part of many cases that ever happened and exposed by media. The other cases actually never unrevealed because procurement process are potential to be corrupted by using many tricks. For example, in the procurement for anthelmintic, the corruptor added one digit in the real price, from 650 to 6500 Rupiah per piece ([www.regional.kompas.com](http://www.regional.kompas.com)). By this, we can realize that their trick is really harmful.

The absence of transparency and also the procurement mechanism is not based on the proper procedure, such as direct appointment, make the cases tend to occur. These evidences show that corruption in the field of public procurement are mainly caused by poor quality of the policies. No wonder if Lambsdorff (2006:6) said that "Ill-designed policies create corrupt incentives for policy makers, bureaucrats and the public in general."

Public procurement in Indonesia, both goods and services, is full of bribery and the lack of transparency. The Corruption Eradication Commission (KPK), based on survey on 792 goods/service provider in Jakarta, Bekasi, Tangerang, Depok, and Bogor, found that 89% of provider did bribe to win the tender. They said that it would be difficult to win the tender without doing bribery. Moreover, the bribery initiatives came from the officers or the committee for public procurement (Magazine KREDIBEL, Ed. 1, Oct-Dec 2011).

Besides bribery, unfair competition also ever happens in the manual procurement process. For example, in Depok, tension arose between government and providers, and even with certain mass organization. Sometimes, the committee was intimidated by certain mass organizations and they did not hesitate to bring cleaver during the announcement. Here is the statement from one of the LPSE officer:

*"There are many mass organizations take a part by monitoring the procurement process, people under intimidation, we ever face it. They prevent certain provider to follow, they also intimidate the committee. We also ever face the certain mass organization who bring cleaver to the office." (Indepth Interview, June 2010).*

These intimidated situations and conditions may happen



in manual procurement because it has disadvantages due to the following factors, based on Transparency International Indonesia:

**(1) Bribery**

Generally, bribery is aimed to force the decision maker to stand on the side of certain participant. By doing this, the participant will get the tender easily because basically the decision maker has economic motive behind the process and they do not want to miss any chance to get extra income.

**(2) Direct Interaction in Procurement Process.**

Before LPSE exists, there is wide possibility for participant and official to make direct interaction. Bargaining process between them may happen either in office or out of office area. During this process, no other parties are able to control what they decide.

**(3) Collusion.**

Government officer, especially regent/mayor, has the access to control the government activities, especially in public procurement. They may have colleagues or families who have special relations and interests. Due to these special relations, most of them will give a priority to their colleagues or families who participate in public procurement. Furthermore, through LPSE, it prevents the abuse of authority, while public officials are not be able personally to abuse their authority for a personal interest/benefit.

**(4) Structure.**

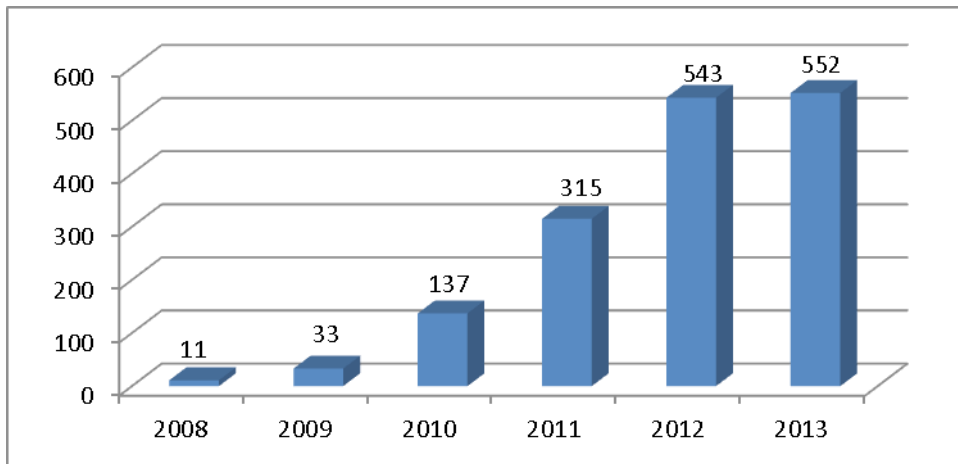
The last, corruption also happens within organizational structure of the government. It means that many corruption systematically occur in the government institutions. For example, if the lower level of government officer takes part in a corruption case, the higher level should take part too. Therefore, within the sector of structure, LPSE is also Improving the quality of policy and decision making, Reforms synergize the activities of interrelated entities, each entity can support other entities particularly in the providing of information/documents, so that the quality of the decision process can be better (<http://accountability.humanitarianforumindonesia.org>).

## **4.2. Government Service for Electronic Procurement (LPSE)**

LPSE is a government service for public procurement and it is

a kind of Government to Business (G2B) application. G2B focuses on information services for business (Guo and Lu, 2005:216). This sector focuses on transactions between government and business in order to reduce costs and gather more accurate information. The goal of these services is to facilitate the government to buy goods, to pay bills, and to do business with more effective, and also to help the government in obtaining the data, to analyze, or to assist in the decision making process (Evans and Yen, 2007:50). Procurement of goods/services electronically will increase transparency and accountability, improve the market access and provide fair competition, improve the efficiency of the procurement process, supporting the monitoring and auditing processes and meet the needs of real time access to information in order to achieve the clean and good government.

The legal platform for the establishment of LPSE is Art. 111 of Presidential Decree Number 54 of 2010 on Procurement of Goods/ Services and for the technical operations are regulated by the Head Regulations of LKPP Number 2 of 2010. LPSE in organizing the service system is also required to meet the requirements as stipulated in Law Number 11 of 2008 on Information and Electronic Transactions. Obligations set forth in these regulations for government agencies to have a unit procurement of goods/services no later than 2014. In addition, the regulation does also instruct all procurement packages to be carried out electronically by 2012. LPSE are in a coordination under Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah (LKPP) established on December 6, 2007 by Presidential Decree Number 106 of 2007 ([www.lkpp.go.id](http://www.lkpp.go.id)). LPSE was first established on 2008 by piloting the project on 11 LPSE and now the number becomes higher, reaching 522 LPSE in 2013, which is distributed in 33 provinces, as the figure below:

**Graphic 2-The Development of LPSE from 2008-2013**

Source: [www.lkpp.go.id](http://www.lkpp.go.id)

The increase of using LPSE correlates positively to the number of packages that is procured electronically. In the first of implementation, there are only 33 packages and it increases to 137.293 packages in 2013. These numbers are excluded from manual procurement because not all procurements are run electronically because Central Government just requires packages over Rp. 200,000,000 to be procured by using LPSE.

#### **4.3. How Can LPSE Promote Transparency and Accountability?**

LPSE can minimize the corruption by promoting the accountability and transparency as follow:

##### **(1) Open Information**

In providing information, LPSE utilizes its website so that the stakeholders from business and the corporate sector may know and get the whereabouts of the auction information, including the name of the auction packages, maximum value, and the requirements needed. It is absolutely different from the manual auction of bidding process in which the government does not publish this information widely, so that it is only possible for certain person to know the information directly. Therefore, the application of LPSE enables people to see, participate as

a provider, or oversee the running process in accountability procurement of goods/services of the government, since every single process is recorded electronically. The auction through LPSE is also become a surefire strategy to prevent corruption. Through the implementation of LPSE, the procurement system will transform conducive to increase the performance as well as transparency and accountability, and competition in supporting the acceleration of the implementation of the budget. Finally, good governance and budgetary efficiency can be achieved.

## **(2) Easier Access to Control**

The online-based auction promises a transparent process for all bidders and any parties took part to determine which participants win the tender and its reasons. It also provides wider access to the public who wants to know how the running process of the auction in LPSE is. One of the staff of LPSE in Depok stated:

*"...but in LPSE, the announcement will make us know why he losses and also with the reasons. So the evaluation phase of the auction is the administrative, technical evaluation, qualification, and there will be also a check list for each phase. For example while someone had passed the administration process and he failed in the technical evaluation, he will get informed and provided the reasons also. So for those who participated and felt that why they failed could call the LPSE to ask why they failed and its reason." (Indepth Interview, June 2010).*

## **(3) Government are Under Controlled by Public**

Besides improving through the sector of transparency, the sector of accountability is also get influenced by the process of the auction in LPSE. It is because the government is under controlled by the public. The government has to give its responsibility on the budget that has been spent for goods and services and to whom the government purchases of those goods and services. This kind of way is expected to minimize the costs of every activity of the government and development. If the government does abuse the budget, mass media, mass

organization, and of course the public, will aware and make a protest to the government. The information could spread widely to the public because many of them are able to access easily through television, radio, news paper, internet, social media, and other networks. So, like or dislike, the government have to be accountable to the society.

#### **(4) Indirect Interaction**

LPSE gives the possibility to the indirect process of interaction between the goods and services supplier and the tender officials. It can minimize the number of the tender officials who lie and cheat and even any other parties who try to make unusual tricks or propaganda. Those can be reduced. Most of corruption cases in the procurement is caused by the possibility to interact directly. The corruptor is often arrested by KPK when they make a transaction in outside of their offices such as hotel, restaurants, and other spots.

Due to the fact that LPSE can promote transparency and accountability, there are some advantages produced by LPSE as follows:

#### **(1) Fair Competition**

If it is compared to the manual system of procurement of goods/services, the small, medium, and big entrepreneurs in LPSE have the same chance to participate in the process of the procurement through LPSE. They can see the announcement and know the information from the website and submit their offers and bids just through the private internet access or internet cafe (warnet). So that, this mechanism of LPSE is able to reach many places as it can be done from anywhere. From the fact that every party has the same chance, it provides many choices for the government to choose who is the best. It stimulates the party to compete each other to be the best. So, the advantage is government can buy something efficiently and effectively due to fair market competition.

**(2) Improve Democratization**

Transparency and accountability can only be achieved if the public participate actively in the procurement process, either they take part or just monitoring the process.

**(3) Cost Efficiency**

LPSE can increase the efficiency and cost savings. LPSE which is a part of e-government has a lot of benefits to support efectivity and efficiency of public services. Misuraca (2007, p.57-58) said that there are three dimensions of the benefits that can be seen in the implementation of e-government, and one of them is economic dimension in which reduces transaction costs for better capacity to service target, increasing coverage and quality of service delivery, enhance the response capacity to address issues of poverty issues and increase revenue. The average efficiency after using the *e-proc* or national electronic procurement is now 12% (*sumbaronline.com*). For example, the realization until October, the procurement by SPSE in Agam district reached 10% or Rp. 7,162,477,351.00. It can be re-budgeted for improvements in public services and infrastructure. While if it done manually, efficiency is going smaller.

**(4) Sector of Market and Economy**

The last benefit of LPSE is in the sector of market and economy. Through the LPSE, the auction will get a broader market. One of the advantages in applying LPSE is also improving and increasing the quality of public services and gives the benefits to the small and medium enterprises. In addition to improve the efficiency and efectivity, LPSE also increases the atmosphere of fair competition and accessibility for all stakeholders to follow the procurement of goods/services of the Government.

If LPSE can promote transparency and accountability, the level of public trust will increase. It is important since corruption cases are mostly happening and will reduce public trust. Public becomes apthetic to the government activities, and the worst thing

their intention to participate in the public election may decrease. In other country, for example in South Korea, GePS (Government e-Procurement System) also enhances the transparency of public procurement. No wonder that in 2002, The United Nations Division for Public Administration and Development Management awarded The Korean Public Procurement Service as the winner of UN Public Service Awards 2002. Besides that, the number of public and business organizations register to the system are 47 and 147.000 (Jeong, 2006:82).

LPSE in Indonesia also brings positive atmosphere in the public perception. Researcher found some facts from KREDIBEL Magazine (Edition 01, Oct-Dec 2011) such as "Since I joined the electronic based auction, I've had never been rigged" (Sigid-Provider, Jakarta); "Electronic tender minimized fraud" (Hadiwijaya-Provider, East Borneo); "Providers must be able to adapt the electronic-based auction system" (Junaidi-Consultant); "Consultation is very helpful in this tender process" (Budi-Kementerian PU, Jakarta); "Creating the guidelines concerning the e-procurement system in order not to deviate from the rules of PBJP" (Dudi-PDAM, Malang); "Electronic-based Tender drives an easier way to the parties of tenders or bidders" (Rahmat-Trainer, Donggala); "LKPP is one of any government agencies that has a fair and objective sense to the e-procurement system" (Ahmad-Provider). From these statements, researcher know that they are all satisfied with the LPSE in bringing the new better future on procurement process.

## 5. Conclusion

LPSE provides many advantages in public procurement because it is more transparant and more accountabel. More transparant because LPSE disseminates information on procurement package through website so that every provider can access the information, know the process, and also know who win the tender. It also drives to be more accountabel because public can access what government does with its budget and how much government spends the

budget. To ensure that these principles are maintained sustainable, all tender packages should be procured by using LPSE, especially for the tender below the amount of 200 million Rupiah and above 100 million Rupiah. It is because these packages still run manually. All LPSE should be connected with LKPP in order to integrate all data and public can monitor the tender process by accessing LKPP website which is updated any time.

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# Corruption Network: the Case of Klong Darn Wastewater Treatment Plant

Sirilaksana Khoman

## Abstract

*This case study examines the network of connected dealings and procurement conspiracies that can wreak havoc on economy. In the case of Thailand, although procurement regulations are clear and strict, loopholes can be found that allow conspirators within patron-client networks to engage in wrongdoing with impunity, to the detriment of the country's development. The case of the Klong Darn waste water treatment plants shows how strategically-placed (corrupt) partners can damage the country and how meaningful anti-corruption people's participation can help in its exposure. It is an example of procurement corruption and connected dealings, from which lessons can be gleaned. At least four issues can be identified regarding this complex case: project approval, the Cabinet decision, the award of contract, and the land purchase. The connection is apparent when each part of the jigsaw is co-considered together, indicating that a holistic approach to anti-corruption work has to be taken, and legal procedures perhaps overhauled. The trail of evidence shows that even though the project may not have been initiated with corruption in mind, the project quickly became a cash cow that benefitted specific suppliers within connected networks. The paper also discusses Thailand's pre-emptive, pro-active approaches to combating these procurement conspiracies and connected dealings, and the role that integrity education can play.*

**Keywords:** network relationships, corruption, public works project

## 1. Introduction

Network inter relationships are nothing new. Worldwide social networkings have indeed exploded within the last decade. Network relationships facilitate efficient interaction by reducing the three components of transactions costs: information and search costs, negotiating and contracting costs, and policing and enforcement costs. Whether in business or politics, or any other area of interaction, network relationships play an important role and help to create efficiency. Indeed investment into creating trust, brand loyalty, recognition and reputation, whether in personal or business relationships, are part of the process of networking. Trust implies confidence that some person or institution will behave in an expected way. But there are also built-in dangers of maintaining the status quo and creating situations of monopoly, as well as facilitating transactions with corruptive intention.

This paper focuses on a public project as fertile ground for both petty corruption and 'grand state capture', and examines the role of network relationships in facilitating corrupt activity. The characteristics of network relationships are examined to ascertain the aspects of group or network relationships that are conducive to corrupt activity. The case of Klong Darn wastewater treatment is used to illustrate the pattern of patron-client networks that can affect a government project. The institutional and legal framework in Thailand is also briefly explored, and possible measures to alleviate current problems are considered. The paper argues that although procurement regulations are clear and seemingly strict, loopholes can be found that allow patron-client networks to engage in wrongdoing with impunity, to the detriment of Thailand's development.

## 2. The Nature of Network Relationships

A network may be regarded as a set of contracts, which can be loose or tight, formal or informal, that establishes rules of exchange and cooperation internally. In some cases, the set of contracts gives

the group a collective identity vis-a-vis others, replacing individual identity. An organization, or clan, is thus a set of contracts and rules defining roles and establishing their relationships within the network. Individuals play or exit roles that have been defined. Investment in identity takes place in the selection for roles, and in the process by which individuals select the organization/clan that they join. This network may start out from being an innocuous social network where members assist each other with some kind of reciprocity established as the norm. However, it can be transformed into a patron-client relationship, paving the way to formation of more pernicious networks, whereby the patron provides resources and protection to the clients who, in return, provide services, rent collection, and other forms of support to the patron, including facilitating corrupt practices.

Since there are many competing networks of patrons and clients, each patron needs to accumulate a large amount of resources to feed the needs of the clan. Corruption then becomes a method to accomplish this task and allows the network to accumulate sufficient funds and attract large numbers to compete successfully against other clans. Members recruited into the corruption ring may actually not be aware of the ring in the beginning. But the cost of leaving the network becomes prohibition and the option of moving to another network is not available due to the mutual distrust and possible hostility between clans/networks. Trust may imply confidence, but not certainty (Rose-Ackermann, 2001:1), and therefore network members also need to constantly 'prove themselves' to remain a member as well.

In the broadest sense, a transaction consists of activities or transfers of property rights by or between at least two individuals or groups. All individuals engage in two kinds of transactions: personal (where identity dominates) and impersonal (where identity is subsumed). In petty corruption, such as extortion of motorists by traffic police, or bribery for queue-skipping, identity is not important, and suppression of identity may even be desirable. But in certain forms of illegal transactions, especially corrupt transactions

that take on the nature of conspiracies, the identity of the people engaged in a transaction is vital. Some transactions can take place only between mutually or unilaterally identified parties, and many corrupt practices of significance fall under this category. Parties in an identified relationship invest resources that are specific to that relationship in order to save transactions costs. And there are economic scale related to these 'set-up' costs. This facilitates activity between them and leads to a concentration of exchange between the same parties. Ben-Porath (1980) calls this 'specialization by identity', and patron-client relationships are repeated relationships of exchange between specific patrons and their clients (Khan, 1998).

In order to set up a successful corruption ring, several dimensions in terms of member characteristics are important. Where do the network members come from? There is a built-in bias in favor of homogeneity in terms of some dimensions but heterogeneity in terms of other dimensions. Family and close friends may be the first choice for recruitment due to existing ties. This first ring of relationships will then recruit others. Routine actions that do not require a great deal of expertise, such as hiding documents or engaging in protest rallies, favors homogeneity – working with the same people. However, when purchasing sophisticated equipment, trust in friends or relatives cannot compete with the technical know-how of a specialist. Thus it becomes necessary to recruit technical expertise and business associates as well.

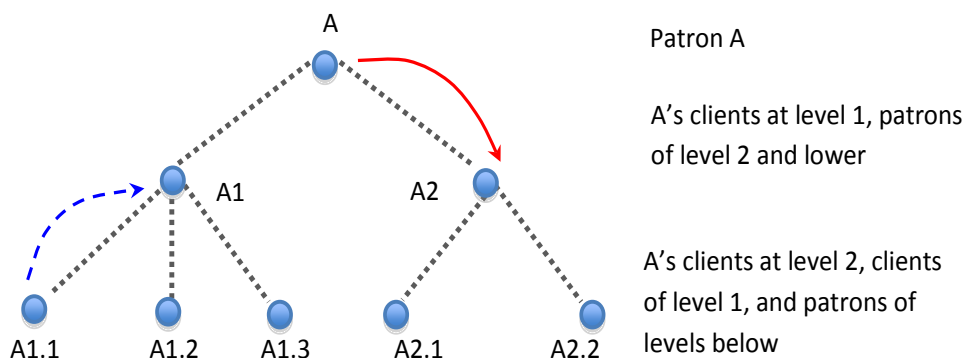
With differences in the importance of identity in various transactions and in the specificity of investment of identity to certain activities, people will be organized in small clusters for some purposes and large ones for others, and these groupings may intersect for different purposes (Ben-Porath, 1980). Parties who have already invested specifically in each other are in a short-run position of bilateral monopoly. If the self-enforcement mechanism is imperfect, trust, or fear, or violence and intimidation, or the threat thereof, becomes more important. In Thailand, there is a common saying that defines six different groups of people that comprise a network (especially a corrupt network): family members, school

friends or disciples, financial contributors, obsequious followers, marriage ties, and competent specialists (“สายโลหิต ศิษย์ข้างเคียง เสนีียงหลังบ้าน กราบกรานสอพลอ สอไข่แดง แกรงวิชา”). These clan or group members therefore cut across the usual socio-economic dimensions such as income class or occupation. Understanding group membership allows us to see that not all conflict situations are ‘class struggles’. References to ‘Arab Spring’ and inequalities (that exist and persist in most societies) completely miss the mark in analyzing Thailand’s current political situation.

Nowadays, in Thailand it can be seen that political networks are defined by their heads. The head of the network serves as director for communication, trust, and redistribution, and reduces the transaction costs within the network by reducing the need for bilateral relationships. The pairwise investment of each member with the center links him to all the others. In his theory of social interaction, Becker (1974) shows why a central figure who cares, or appears to care, can generate optimal behavior for the group from the others, even if the head is an egoist. When the head is absent, miscommunication often occurs, or miscommunication can be blamed for unpopular deeds by the network. The difficulty is to distinguish between the truly benevolent head and the self-serving one (Khoman, 2012).

A corruption ring can be represented in Figure 2.1 where layers of patrons and clients direct the flow of resources.

**Figure 2.1: Typical Patron-Client structure**



Source: Sirilaksana, et. al. (2011)

From Figure 2.1, Patron A is the ultimate power of the clan. Below Patron A are the clients shown by nodes connected to Patron A with dashed lines. For simplicity, this patron is shown to have two clients at level 1, labeled A1 and A2. Below each level-1 client, there may be many layers of clients that propagate downward. The patron in this clan could also serve as a client of another larger patron-client structure located higher up.

Members in the same clan relate to each other in two ways, vertically and horizontally, the former in cooperative exchange and the latter sometimes in the form of rivalry. The patron is expected to provide vital resources that the client needs. In Thailand, the patron may provide land to the client for cultivation, give loans for emergency use, settle conflicts with other clients within the clan, provide protection against threats from other clans, promote the client to a higher position in the clan, and/or ensure that clients receive government procurement contracts. The solid arrow in Figure 2.1 represents the flow of resources or protection provided by the patron.

In return for the patron's support, the client has the duty to serve the immediate patron, and those located in higher positions, in whatever task the patron may assign. If procurement contracts are obtained, usually at inflated prices, then kickbacks are paid up the hierarchy. The dashed arrow in Figure 2.1 shows the flow of returns from the client to the patron. The returns could take the form of simple labor (such as pouring drinks, carrying suitcases), or bodyguards. Or it could be a supporting role against other clans, beating up the patron's enemies, rallying people to support the patron's political ambitions, and extracting economic rent from awarded contracts for the patron. The resources could consist of monetary support or member count. Thai political parties always consist of many factions, or sub-clans, in which the leader of that faction acts as the patron. If the leader of the faction manages to bring in sufficiently large numbers of elected MPs under his wing, he entitles to become a minister in a grade A ministry, such as the Ministry of Transportation, which commands a large government



budget. He would also have the right to nominate members under his wing to be appointed as ministers in grade B or C ministries, or as deputy ministers in grade A ministries.

Because of this quid pro quo, members of the group evaluate actions or policies as being beneficial or detrimental to the group or sub-group's interests, and to a large extent, political loyalties are not directed towards ideas, but towards the identity of the leader. Therefore, for the most part, it is not ideological persuasion, but the identity of individual politicians that determines political structures.

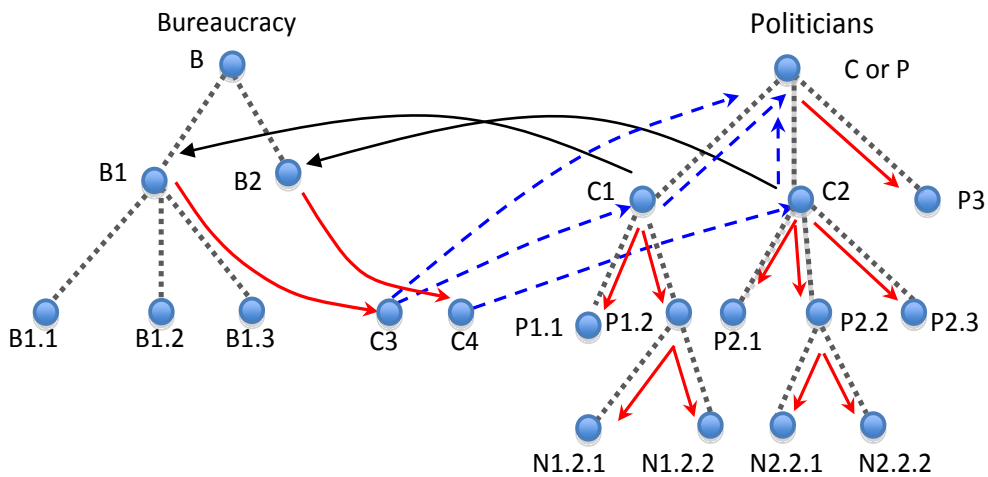
Although members of a clan tend to work cooperatively in the vertical hierarchy, there is often rivalry when they deal with members at the same client level. Many examples can be found in Thai political parties where leaders of factions try to outperform each other in terms of getting more members of parliament under his or her wing. The leader of that faction is then entitled to a cabinet position. And there is of course rivalry between clans, which accounts for why some long-running projects do not get implemented. The plans for a new international airport, for example, were laid down 30 years before construction finally commenced. And a large number of procurement cases connected with the new international airport are currently being investigated.

The patron-client network in Thailand can be represented by Figure 2.2. The bureaucracy (B) is represented on the left, while the network of politicians (P) is depicted on the right. The capitalists (C) refer to big businesses, while the non-politicians (N) include small businesses as well as non-governmental organisations (NGOs), and other social or lobbying groups. Solid arrows show the flows of the benefits from C1 to B1 and C2 to B2. The capitalists who act as the patrons of the sub-clans, kick back some of their corrupt benefits to the bureaucracy who originally facilitated the special licenses, concessions, and procurement projects. The patrons of the sub-clan and the non-politician capitalists also need to provide the political and financial support to the highest patron who is either a politician or a capitalist turned politician. Thus government procurement is a vehicle for corrupt enrichment.

A large number of businessmen made fortunes by receiving favored subsidies, licenses, and concessions from the patron-client network 3-way interaction among politicians, the bureaucracy and business, shown by the solid arrows pointing from B1 and B2 to C3 and C4.

One somewhat unique point about the patron-client network in Thailand is that capitalists often place themselves in the politician’s network. In fact, the share of businessmen in Thailand’s parliament is the highest in the region (Sidel, 1996). A recent trend is that the movement of many capitalists formerly locates at high client levels, to become the highest patron of the political party or the faction leader. Many leaders of Thai political parties are businessmen and tycoons.

**Figure 2.2 : Flows within Patron-Client Networks in Thailand**



**Notes:** B = bureaucracy, C = capitalists, P = politicians, N = non-politicians  
**Source:** Khoman et.al. (2010)

### 3. The Case: the Klong Darn Wastewater Treatment Project

The Klong Darn wastewater treatment project illustrates how strategically-placed parties can allow wrongdoing to occur with impunity.

In November 1995, the Asian Development Bank (ADB) approved a 150 million USD loan to support the Thai government’s

Pollution Control Department (PCD) in establishing systems to manage wastewater discharged by factories and residents in the Bangkok metropolitan area, including Samut Prakarn. The initial plan was to build two separate treatment plants close to the main pollution sources, consisting of about 5,000 factories. However, by the time the ADB approved an additional loan of 80 million USD, the project site had been relocated some 20 kilometers away to Klong Darn, situated towards the eastern edge of Samut Prakarn Province. A new plan was devised to build a single very centralized plant, one of the largest wastewater treatment plants in Southeast Asia, to process 525,000 cm<sup>3</sup> a day of waste water with heavy metals and hazardous waste. The rationale that was offered to the Cabinet was that a single plant would be more economic than two separate plants. It turned out, however, that even though the rationale for relocation was to save cost, the Cabinet approved an increase in the budget for the project. Japan's International Cooperation Agency (JICA) co-financed the project with an additional 50 million USD loan. After the site changes, the total cost of the project is more than doubled to 687 million USD.

Klong Darn villagers came to know about the project after the construction had started. In late 1998, they saw a sign put up by a joint venture (JV) construction company, in front of the wastewater management facility. They were surprised to learn that a huge wastewater treatment plant was already under construction in their neighborhood. Apart from the total lack of information disclosure to and meaningful participation of the local community, stakeholders were able to point out the following major flaws with the project:

- 1) The plant was not equipped to properly treat heavy metals and hazardous waste. They would be discharged into the sea and would destroy local fishing activities;
- 2) The plant was built on soft soil along the coast and would be impacted by flooding and erosion;
- 3) An Environmental Impact Assessment (EIA) was not conducted in Klong Darn; and
- 4) The project site included public land, such as canals, which could

not be for sale. The land for the plant, approximately 1,900 “rai” (1 “rai” is equal to 1,600 m<sup>2</sup>), was sold at a price much higher than the official price.

The land for this new site belonged to a local politician, and suspicions were raised about whether this could account for the sudden change in the project site. In addition, the transport of waste from the source or pollution, through a long and winding pipeline for some 20 kilometers, was not technically sound.

On January 13, 2004, PCD filed charges against 19 private firms and individuals in the Thai criminal court, including Vatana Asavahame, a former Deputy Minister of Interior for having illegally obtained title deeds to the project site land and sold it to PCD at an inflated price. In March 2004, the Land Department revoked the deeds to the land of 1,358 “rais”. This invalidated the government’s contract with the JV. On 14 June 2007, the NACC concluded that 9 government officials, including Vatana, had been involved in illegal land deed acquisition and forwarded the case to the Supreme Court’s Criminal Division for Holders of Political Positions. By that time Vatana had fled Thailand, but the court ruled that he was guilty of bribing officials in the land grab connected with the project and sentenced him in absentia to 10 years in prison.<sup>1</sup> This part of the case shows the connection between the Minister and collaborators in the Land Department who were involved in falsifying the land deeds.

But the case is far from over. The laws in place at the time of project include: (1) OPM Regulations B.E.2535 (1992) (for procurement); (2) Environmental Protection Law B.E. 2537 (1994), and (3) Public land designations.

Other laws that are enacted include the Act on Offences Relating to the Submission of Bids to State Agencies B.E. 2542 (1999). In addition, there are various Cabinet Resolutions that authorize certain actions. An interesting question is whether these

<sup>1</sup> [http://www.mekongwatch.org/english/country/thailand/MW\\_SMBrief\(2010.02.27\).pdf](http://www.mekongwatch.org/english/country/thailand/MW_SMBrief(2010.02.27).pdf). Another case involving land is that of Somchai Khunpleum, a Chon Buri godfather with powerful political connections, wanted in a local land-conflict case. He has since been arrested.

laws, regulations and resolutions were violated, or whether there are loopholes that need to be examined.

The issues involved in this case are illustrated in Figure 3.1. The case can be broken down into the following main issues: (1) *Project approval*; (2) *Cabinet decision*; (3) *Award of contract*; and (4) *Land purchase*. Figure 3.1 shows that in each of the four issues, interconnected individuals play a key role in defrauding the government.

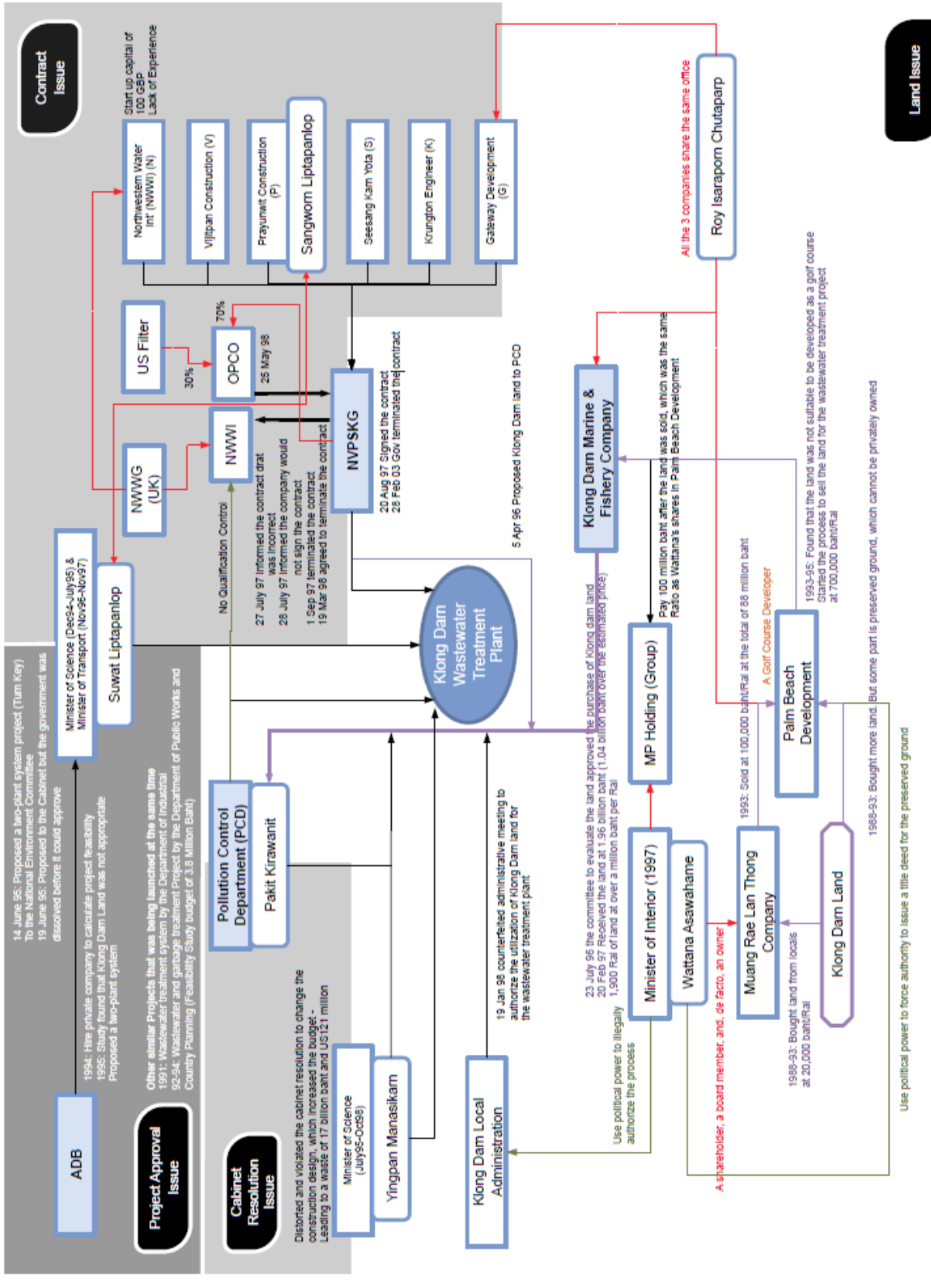
In the case of the land purchase, Land Department officials who courageously refuse to issue falsified land deeds are transferred to the southern most volatile provinces. The Minister who orders the transfer, Wattana Asawahame, is convicted of administrative misconduct, and the officials transfer back to Bangkok. Thus integrity plays a key role in convicting the Minister.

### 3.1. Brief Chronology

- 1986 Asian Development Bank (ADB) provided funds to the Office of National Environment Board<sup>2</sup> to survey options to manage industrial waste water (treatment and control) in Samutprakarn Province
- 1991 Department of Industrial Works started to implement the project to build waste water treatment plants, as authorized by the Cabinet Resolution on July 2, 1991 in Prapradaeng District and Pra Samut District on the west bank of the Chao Praya River. The budget was approved for purchase of land in 1994.
- 1993 ADB approved another US\$350,000 to develop a waste water treatment system in Samutprakarn Province and undertook a feasibility study under the Environment Rehabilitation Project (ERP)

<sup>2</sup> The National Environment Board is a high-level body set up under the Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992), consisting of the Prime Minister as the Chair, a designated Deputy Prime Minister as the First Vice Chair, the Minister of Natural Resources and Environment as the Second Vice Chair, and 8 committee members consisting of Ministers in related Ministries including qualified specialists, with the Permanent Secretary of the Ministry of Natural Resources and Environment as Secretary. The duties are to consider policies, plans, and measures regarding the management of the nation's natural resources and the environment.

Figure 3.1: Network relationships and corrupt dealings. Source: Torplus Yomnak, unpublished worksheet.



- 1993 ADB approved another grant of US\$600,000 to the Pollution Control Department (PCD), Ministry of Natural Resources and Environment, to conduct a feasibility study and preliminary design for waste water treatment under the project “Wastewater Management and Pollution Control in Samut Prakarn” to manage wastewater in the Pollution Control Zone of Samutprakarn. ADB also assisted the PCD in preparing bidding documents and selection of contractor in the design of wastewater treatment.
- 1993 The National Environment Board (NEB), at a meeting on December 15 (#6/2536), designated Samutprakarn Province as a ‘Pollution Control’ province, directing the provincial authority of Samutprakarn (under the Ministry of Internal Affairs) to coordinate with the Pollution Control Department (PCD) in drawing up an Action Plan to manage environmental quality at the provincial level (including an action plan to reduce and eliminate pollution in the Pollution Control Area), designating the Pollution Control Department as the agency to carry out the action plan. Later NEB announcement No. 9 B.E. 2537 (1994) officially declared Samutprakarn as a Pollution Control Province, with effect from December 15, 1993. This declaration was significant in that regulations regarding pollution control and pollution-control projects will now going to apply.
- 1994 ADB hired Montgomery-Watson Asia together with a local engineering consulting company, Southeast Asia Technology Company (SEATEC) to conduct the feasibility and design. A seminar was convened on December 16 involving the Ministry of Science and Technology and Environment, the Pollution Control Department, the ADB, and representatives from provincial agencies in Samutprakarn.
- 1995 February 28: Towards the final stages of the feasibility study, a seminar was convened to discuss the findings.  
March: Montgomery-Watson Asia et.al. submitted their final report detailing 13 options for wastewater treatment,



proposing two plants (aerated lagoon) as the best long-run option in terms of cost-saving and minimal risks: one on the east bank emitting treated water into the sea, and one on the west bank, emitting into a canal. The proposed plants were at Bangpu-mai on 1,550 rai of land<sup>3</sup> on the east bank, and at Klong Bangplakod on 350 rai on the west bank. The report also found that the soft soil conditions in Klong Darn would be an obstacle to engineering and construction. In addition, the lowland nature at Klong Darn was subject to flooding of seawater, and therefore the site was not appropriate.

It was also recommended that one of the causes of delay in construction projects in Thailand, was the problem related to land acquisition. Thus during the feasibility study, it was recommended that a committee should be set up to deal with land acquisition, and that the consulting company should assist this committee in acquiring the land, studying its suitability, negotiating its price, and purchasing the land for the project.

Eight contracts were to be executed, complying with the procurement guidelines of the ADB: 4 construction contracts and 4 materials and equipment contracts. The cost estimates for construction were 9.14 billion Baht and 2.185 billion Baht for the east and west banks respectively, totaling 11.325 billion Baht.

- 1995 June 14: the Pollution Control Department submitted the report to the NEB meeting (#6/2538). The Board concluded that there was an urgent need to address the wastewater problem in Samutprakarn, but there was a need to be controlled on land use so that the wastewater problem does not spread beyond the project site. The Board also made the following observations: (1) the running cost of 580 million Baht should be checked; (2) the project needs to be discussed with the public through community leaders, to promote understanding regarding the benefits of the project,

<sup>3</sup> 1 rai = 0.40 acres or 0.16 hectares or 1600 sq. m.



and to ensure willingness to pay, since this is the first project that involves fees for wastewater treatment; (3) before submitting to the Cabinet, a Projected Cash Flow should be undertaken, with input from the Budget Bureau and the Ministry of Finance, as loans from OECF<sup>4</sup> will have to be considered.

At this meeting, Suwat Liptapanlop (Minister of Science, Technology and Environment) as second Vice-Chair of the Board, Pakit Kiravanich (Director-General of Pollution Control Department) and Sirithan Pairojboribul (Deputy Director-General of Pollution Control Department) were in attendance.

- 1992-1994 The Department of Public Works (DPW) under the Ministry of Interior studies the wastewater treatment system in Samutprakarn. Cabinet Resoulution on June 28, 1994 authorizes the DPW to tackle the wastewater problem, and is allocated 3.8 million Baht for the study. In 1994 the DPW's study recommends construction of 3 wastewater treatment plants at Samrong, Poojaosamingprai and Klong Plakod.
- 1994 November 8, a Cabinet Resolution approves DPW's project to deal with wastewater and garbage in Samutprakarn.
- 1995 June 19: Suwat Liptapanlop (Minister of Science, Technology and Environment: MOSTE) sent a letter (WW0302/9228) proposing the project to the Cabinet with 5 contracts, namely: 1) A turnkey contract to design and build a wastewater treatment plant on the east bank, with a budget of 10.148 billion Baht through international competitive bidding. The turnkey nature would reduce the implementation time by 1.5 – 2 years as the need for re-bidding to construct would be avoided. This turnkey contract would include land acquisition as well; 2) A turnkey contract to design and build a wastewater treatment plant on the east bank, with a budget of 2.724 billion Baht under the same conditions as the east

4 Overseas Economic Cooperation Fund (OECF) is the implementing agency for loan aid furnished by the Japanese government.

bank; 3) A project monitoring contract for both systems with a budget of 269 million Baht, with selection of engineering firm through international competitive bidding; 4) Contract for procurement of equipment to monitor the quality of treated water, both permanent and mobile systems, with a budget of 148 million Baht; 5) Knowledge transfer contract regarding prevention of industrial waste and environmentally-friendly technology, with a budget of 323 million Baht, to be awarded to skilled architectural or engineering consultants. Total budget: 13.612 billion Baht. The Cabinet wanted greater coordination among the agencies; asked the Public Works Department, Ministry of Industry, and the Department of Pollution Control to coordinate, and the Budget Bureau for an opinion.

- 1995 Change of government on July 13. Banharn Silpa-archa became Prime Minister. Yingphan Manasikarn became Minister of MOSTE, Pakit Kirawanit was Director-General of DPC and resubmitted the project for Cabinet consideration on October 17, 1995. Opinions sought from 5 agencies (National Economic and Social Planning Board (NESDB), Ministry of Industry, Ministry of Interior, Ministry of Finance and Budget Bureau) caused the Cabinet to issue instructions to the Pollution Control Department on October 17 to take into account of these considerations and approve the project in principle.
- 1995 Pollution Control Department hired Sinthu-Montgomery-Watson to prepare an implementation plan, taking into account the Cabinet's instructions, and prepare pre-qualification documents and short listing criteria, bid documents, and terms of reference.
- 1996 January: Tender Committee appointed, tender period announced, closing date being January 15. Submissions were received from 13 companies, including NVPSKG group consisting of Northwest Water International (NWWI), Vichiphan Construction (V), Prayoonwit Engineering

(P), Sisang Construction (S), Krungthon Engineering (K) and Gateway Development (D). The tender document of NVPSKG submitted financial data of the UK company, North West Water Group (NWWG), together with qualifications and experience record of NWWG of over 100 years.

May 15: 4 submissions selected out of 13.

June 7: sold of bidding documents

August 30: Pakit (Director-General of PCD) informed bidders that the treatment plants can be collapsed into one plant.

October 7: only 2 bidders remained: NVPSKG and Marubeni

December 6: AMS Consulting Company proposed one combined plant. Pakit informers bidders to collapse the plants into one and submits request to increase the budget.

December 9: Contract to hire AMS signed.

1997 January 20: NVPSKG alone submits bid.

February 17: NEB approved increasing in budget and one site.

March 25: submitted to Cabinet for acknowledgement. Cabinet acknowledged the proposal to change the location from the six areas on the east and west banks, and have wastewater pumped by tunnel to Kong Darn, and an increase in the budget. With only one bidder remaining, the DPC was to negotiate the cost down from 26.52 to 22.955 billion Baht.

July 28: NWWI informed NVPSKG of unwillingness to sign the contract, and canceled power of attorney to NVPSKG.

August 20: Pollution Control Department (PCD) signed contract with NVPSKG (including NWWI), and 1.9566 billion Baht paid to NVPSKG. NEB informed PCD that documents from the local administration allowed to use of land for 50 years and public hearing were missing. False documents were then submitted to NEB.

September 1: NWWI cancels contract with NVPSKG.

1998 May 25: Sirithan approved replacement of NWWI with OPCO, a company set up by NVPSKG, without Cabinet approval.

- 2002 Government inquired into the project
- 2003 February 24: Government ordered cessation of construction due to invalidity of contract.  
September 5: NPVSKG appealed to Arbitration Tribunal, claiming 6.2 million Baht plus interest, in damages.
- 2008 August 18: Court ordered the invalidation of land deeds to 5 plots of land due to falsification, and sentenced Wattana Asawahame to prison according to Article 148 of the Criminal Code.
- 2009 Case 254/2547 Department of Pollution Control against NPVSKG, Dusit Court rules against 18 defendants (including Wattana Asawahame) and sentenced them to 3 years imprisonment according to Article 341 and fined of 6,000 Baht for each company involved.
- 2011 December 6: National Anti-Corruption Commission finds 19 accused persons (including Wattana Asawahame and Yingphan Manasikan) culpable.

### **3.2. Chronology of the Klong Darn Land Purchase**

- 1960 Contract for land SK.1 Number 180/98 sold of 37.3 rai for 200 Baht per rai  
1974 Sale contract for 6,578 Baht per rai
- 1988 Lanthong Mining Company with Wattana Asawahame as the major shareholder buys land at Moo 11, Klong Darn at 20,000 Baht per rai, and sold it to Palm Beach Development (owned by Wattana Asawahame, Somsak Thepsuthin and Preecha Laohapongchana) at 100,000 Baht per rai. In addition SK.1 and NS.3 land was acquired, totalling 20,000 rai was acquired, including a public waterway.
- 1994 Palm Beach Development sold the land to Klong Darn Marine and Fishery (connected company)
- 1998 Pollution Control Department bought 1,900 rai of land from Klong Darn Marine and Fishery for 1.9566 billion Baht (or more than 1 million Baht per rai).

#### 4. Lessons learned

It can be seen from the above cases that some corrupt acts were in direct violation of rules and regulations, but others take advantage of legal and administrative loopholes, and also the judicial process.

To tackle corruption in procurement, reform or measures are needed in the following areas: (i) legal infrastructure, (ii) corrupt-friendly economic policies, (iii) upgrading of the database, and (iv) social mobilization for enhanced transparency. Details can be found in Sirilaksana Khoman (2012).

#### 5. Conclusion

In a society dominated by interpersonal relationships, for social, business, as well as other activity, understanding these relationships is the key to understanding corrupt practices. Networks cut across the usual socio-economic characteristics because members of different skills and characteristics are required for a corrupt network to be effective.

At the societal level, social enforcement of private contracts, ready access to adjudication, morality, and religious pressure for generalized honesty (in contrast to “contextual morality”) cannot be overlooked. These elements tend to reduce the importance of identity, to facilitate transactions between strangers, and to reduce the need for specific mutual investment by connected parties. But procurement also needs to be accompanied by effective monitoring systems (e.g., corruption report, witness protection, etc.) and sufficiently stringent penalties for the wrongdoers and conspirators. The larger the network of corruption rings is, the larger the returns to corrupt acts is. The creation of networks of clean officials up to a certain critical mass is absolutely vital to counter the corrupt networks. Hence, there is a need for integrity education.

Integrity plays a key role in fighting corruption. The fight corruption is most effective when preventive, punitive, and educational measures are combined, and public involvement

encouraged, as the case of Klong Darn shows. Most of us will agree that education is central to preventing corruption. And one way is to illustrate through cases and engagement of external stakeholders, so that value-driven reforms will be based on actual vulnerabilities.

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I N T E G R I T Y I N T H E  
P U B L I C S E C T O R :  
P U B L I C P A R T I C I P A T I O N  
A N D I N F O R M A T I O N D I S C L O S U R E

# Public Complaints and the Integrity of the Malaysian Public Sector:

Issues, Trends and Challenges from 2000 – 2012

Noreha Haji Hashim, Ph.D

## Abstract

*Integrity plays a pivotal role in the promotion and sustainability of good government and governance because it influences directly on the efficiency and effectiveness of public policies pursued, as well as the level of trust that the public has in the institutions of government and their democratically elected representatives in advancing and serving their interests. Despite its importance, the exact conceptual boundaries, definition and dimensions of integrity remain ambiguous.*

*This article examines the personal and organizational dimensions of integrity as encapsulated by the different categories of public complaints received by the Public Complaints Bureau from 2000 to 2012, as partial indicators of the integrity of the Malaysian public service. It also incorporates the comments and observations of the Auditor General on the accountability challenges that have major implications on the integrity of public administration and management. Findings show the tendency of increasing public complaints during this period; with the highest levels of public grouses over issues of absence or delay in taking actions, quality of service that is unsatisfactory as well as actions that lack impartiality and fairness. Other important issues include civil servants' misconducts, abuses of power and misappropriations, not adhering to set procedures and enforcement failure. Whilst the public complaints themselves do not accurately depict the actual integrity level of the public sector as a whole, they clearly show the areas that require the most attention.*

*Moreover within the principal-agent theoretical framework, they also show an ever increasing willingness of citizens and other stakeholders to act as "principals" who scrutinize and report the personal and organizational actions of their "agents" that are found wanting. Thus with consistent remedial measures and persistent scrutiny by principled "principals", the Malaysian public sector's integrity should be strengthened in the future.*

**Keywords:** *Integrity, Challenges, Issues, Trends, Public Complaints, Public Sector, Malaysia*

## 1. Introduction

The integrity of the Malaysian public sector does not exist in a vacuum. The issues, challenges and trends of public sector integrity from 2000 - 2012 can be better appreciated by taking into consideration the country's historical, political and administrative evolutions from Independence until the present day so as to contextualize the enormously difficult tasks and responsibilities that the public sector has had to bear throughout this period, and the expectations that it has to meet so as to achieve the country's hopes and aspirations to be a *developed, unified and high income nation* by 2020. Given the fast approaching dateline, there is tremendous pressure on the current Barisan Nasional government to prove itself; hence strengthening the level of public sector integrity is crucial as this can affect the extent to which Malaysia's hopes and aspirations can be achieved, and the trust of the people in the government's capacity to make good on promises made. Hence this article begins by presenting; (i) Malaysia's enduring colonial legacies and the public sector's evolutionary transformations; (ii) the conceptual boundaries, definition and dimensions of public sector integrity; (iii) integrity and its personal and organizational dimensions in Malaysia; (iv) the principal-agent theory as well as, (v) public complaints and their categories, in the literature review section. This is followed by a short description of the methodology used and discussion on the findings of the research in the second and third sections. The article ends with concluding comments and recommendations in the final section.

## 2. Literature Review

### 2.1. Malaysia's enduring colonial legacies and the public sector's evolutionary transformations

Malaysia is a relatively young centralized federated country after having achieved its Independence from Britain in 1957. The enduring legacies of British colonial rule include: (i) a British democratic parliamentary system of government with a constitutional monarchy

that maintains the symbolic significance of the Malay Sultanate; (ii) the transformation of a rural, agricultural and traditional homogeneous ethnic Malay society into a multiethnic country of Malays, Chinese and Indians; whose locations of economic activities and types of occupations strengthened cultural, linguistic and religious differences (Prencel, 2003, p.55); (iii) a competent professional, objective, impartial, politically neutral, honest, trustworthy and modern public bureaucracy whose public service ethos are in tandem with the Northcote-Trevelyan Report of 1854; albeit with modifications to suit local circumstances; (iv) the practice of consolidated democracy instituted during the struggle for Independence period has continued to be relevant; although some elements of deliberative democracy can be observed under the current Prime Minister, Dato' Sri Mohd. Najib Tun Abdul Razak's administration (Mohd Azizuddin, 2009, p.120); and (v) a written constitution that serves as the highest law of the land and a means for political stability as it embodies the "social contract" of differentiated citizenship rights fundamental to the survival of a multiethnic country, thus eliminating the need for demographic segregation (Thomas, 2011, p. 1 & p. 27); although some sections of the Malaysian polity are now openly discussing constitutionally "sensitive issues" that might have serious societal security implications (Noreha Hashim, 2012, pp. 200-210 ).

Thus it is within this context that the public sector's evolutionary transformations have taken place, namely; (i) from maintaining law and order as well as revenue collection in the early years after Independence (Abdullah Sanusi *et al.*, 2003, p. 33 & p.222) to; (ii) planning and implementing development projects in keeping with the development needs of the country from the mid 1960s (Abdullah Sanusi *et al.*, 2003, pp. 200-202); to (iii) implementing numerous economic, education, training and other social restructuring policies to eradicate poverty and restructure society under the 1970 New Economic Policy in the effort to address interethnic economic and social disparities that have resulted in the racial riot of 1969 (Abdullah Sanusi *et al.*, 2003, p.34), to; (iv) modernizing, re-orientating and reinventing itself in tandem with the influence of New Public

Management (NPM) and private sector values through reforms introduced under Tun Dr. Mahathir's administration (1981-2003) so as to establish a quality culture and facilitate the achievement of Vision 2020 (Ahmad Sarji, 1993) to; (v) accommodating the demands for good government and governance in accordance with the spirit of the Constitution, *Rukun Negara* and Vision 2020's aspirations through the principles of *Islam Hadhari* and the promotion of ethics and integrity at all levels and segments of the society as specified by the 2004 National Integrity Plan (NIP) (NIP, 2004), to; (vi) undergoing more substantive transformations so as to renew, reform and rebuild government structures and administrative procedures whereby the public sector is to facilitate the endeavors of the private sector at shouldering the country's development drive (Public Sector Transformation Plan, 2010). Indeed, under the Malaysian concept of "People First, Performance Now", Dato Sri Mohd Najib's efforts at cementing nation building, promoting a culture of excellence and boosting trust in the government are exemplified by the Government Transformation Programme (GTP) whereby public servants are being tasked to meet the targets set under the National Key Results Areas (NKRAs) comprising reducing crime, battling corruption, improving the low-income group's quality of life, enhancing rural areas' infrastructure, enabling greater access to affordable quality education, addressing the cost of living, and instituting measures to improve urban public transportation, into tangible results whose progress of attainment is evaluated by the use of Key Performance Indicators (KPIs) (Pemandu official website, 2013).

## **2.2. The conceptual boundaries, definition and dimensions of public sector integrity**

Integrity is an elusive concept to define because its operational definitions, boundaries and dimensions are influenced by the context within which it is applied. Integrity is derived from the Latin word *integer* that refers to a state of wholeness, virtuousness, of being unimpaired and uncorrupted, honest, having sound moral character and upholding ethical principles (Oxford Dictionaries,

2013). Personal integrity refers to the consistency in the adherence and application of specific ethical principles in thoughts and actions in spite of the pressures, conflicts or temptations for deviations (Josephson, 1998, pp. 13 – 21; Kidder, 2005, p. 3). As this can lead to inflexibility and rigidity resulting in cruel or inhumane outcomes, Koehn (2005, pp. 125-136) argues that personal integrity might also require a person to be sympathetic, understanding and merciful by taking into consideration life's extenuating circumstances. The concern over public sector integrity is justifiable as it is the means with which public interests and the common good are pursued; indeed one would expect public servants to be among the people with public service ethos, possessing public service belief that is manifested by public service practices, and the outcomes of which are perceived by them to be in the public interest (Rayner *et al*, 2010, p.27). Discussions on public sector integrity also include a state of affair devoid of corruption whereby civil servants would be honest and trustworthy by not misusing the powers of their offices for personal advantages or benefits (Armstrong, 2005, pp. 1-2). Field (2012) argues that other than the nonexistence of corruption, integrity should also include "...other forms of misconduct and improper action...". Tait (2000, p.56) elaborates on the dimensions of public servants' professional integrity as "*...the ability to hold public trust... [imposing]... on public servants....a commitment to the trust and therefore an obligation to speak truth to power...*".

However, the existence of organizational integrity is required if the professional integrity of employees are to be achieved. According to Palazzo (2007, pp. 113-128), organizational integrity is influenced by whether: (i) the moral dimensions of actions to be taken, and decisions to be made are fully appreciated beforehand; (ii) employees perceive any violation of the "psychological contract" by the organization (resulting in procedural and distributive injustices because of the lack of organizational fairness); (iii) the leaders have set the appropriate ethical environment by upholding the required ethical values through their actions for subordinates to emulate; (iv) the organizational climate is conducive to ethical

behavior and provides clear understanding on resolving ethical dilemmas; (v) there are inconsistencies that lead to confusion regarding structural demands and ethical conduct; (vi) the legal remits in place are adequate for strong governance; (vii) the “network effects” of organizational actors facilitate or hinder ethical conduct; (viii) a “successful management of organizational ethics” has been instituted. Even if Palazzo’s discussion focuses on private corporations, his observations are equally relevant in the context of the public sector organizations.

### **2.3. Integrity and its personal and organizational dimensions in Malaysia**

At Independence, the presumption was that civil servants would possess a certain level of personal integrity with values such as “...honesty, integrity, courage, perseverance, sincerity [and] willingness to work...” (Tunku Abdul Rahman Putra, 1957). Indeed Tun Abdul Razak (1960) said that integrity could be ensured by subscribing to “... *the unwritten code of ethics and conduct tradition, practice and convention...* ”. However the rapid institution-building exercise in order to implement nation-building, economic and social restructuring measures following the 1969 race riot, had revealed integrity shortfalls resulting in public complaints and the creation of the Public Complaints Bureau (PCB) on 23 July 1971 (Tun Abdul Razak’s speech, 1972; PCB Brochure, 2013). Thus, when Tun Hussein Onn became the third Prime Minister, a public service code of ethics based on the premise of *Berkhidmat Untuk Negara* (serving the country) was launched on 1 January 1979; thus acknowledging the need to provide clear and formal instructions on behaviors and actions needed for organizational integrity. Under Tun Dr. Mahathir’s premiership (1981-2003), the enhancement of public sector’s integrity and service excellence through *Bersih, Cekap, Amanah* (Clean, Efficient, Trustworthy) at the personal and organizational levels were facilitated by numerous initiatives including Leadership by Example, the Work Ethics Initiative (1981), Islamic Values Assimilation program in 1985, the 1989 Excellence Work Culture drive, the 1992 Twelve Pillars as well as other quality and productivity

measures (Mohd Tap Salleh, 2007, pp.1-4). However it was under Tun Abdullah's administration that specific definitions of integrity, personal, professional and organizational integrity are provided by the 2004 National Integrity Plan of Malaysia, namely: (i) personal and organizational integrity as "...a quality of excellence that is manifested in a holistic and integral manner in individuals and organizations (p.22); (ii) personal integrity as being "...based on ethics and noble values and their concrete manifestation in daily lives" (p.22); (iii) civil servants' professional integrity as " ....the harmony between what an individual says and does. His or her actions are in accordance with moral and ethical principles as well as laws and regulations and do not go against public interest" (p..22); (iv) organizational integrity as "...reflected in the formulation and implementation of its code of ethics, clients' charter, and system or work procedures, as well as compliance with best practices."; and (v) organizational culture can be established through "...the organisation's code of ethics... [being]...constantly reiterated, internalized and upheld by members of the organization until it becomes second nature, and ultimately transform into the culture for the organization as a whole." (p.22). Under Dato' Sri Najib's current administration, the above definitions have not changed, although the "People First, Performance Now" context means that more pressure is being applied to ensure that higher public sector integrity is achieved in substance by the need to achieve the KPI's set.

#### **2.4. Principal-agent theory**

In the context of the principal-agent theory as stated by Rose-Ackerman (1978), Klitgaard (1988) and Williams (1999) the interactions between public organizations and the clients that they serve can be viewed as those between the principals (clients pursuing public interest) and the agents (public organizations and their employees pursuing personal and organizational-bureaucratic interests), whereby: (i) the existence of conflicting goals between them would lead to public interests being compromised because the benefits of pursuing the agents' interests, even if this would involve corrupt practices and administrative misconducts, would



outweigh the penalty costs that the agents would incur by their transgressions, and (ii) the information asymmetry that influences their interactions means clients would always be at a disadvantage because they would not have the amount of information that the agents would have.

## **2.5. Public complaints and their categories in Malaysia**

The PCB's brochure (2013) defines public complaints as "... complaints made by the public to express their dissatisfaction towards any administrative actions...that are considered as unjust, not in accordance to the existing laws and regulations, abuse of power, maladministration and other similar acts by Government agencies". PCB receives ten categories of complaints, namely; (i) delays or no action (ii) unfair action; (iii) lack of public amenities; (iv) inadequacy of policy implementation and law; (v) abuses of power; (vi) misconduct of civil servants; (vii) failure to adhere to set procedures; (viii) unsatisfactory quality of service provided; (ix) failure to enforce regulations and laws; and (x) miscellaneous complaints. Examples, instead of exact definitions are given for the different categories (PCB brochure, 2013). However only delays or no action, unfair action, inadequacy of policy implementation and law, abuses of power, misconduct of civil servants, failure to adhere to set procedures, unsatisfactory quality of service provided and failure to enforce regulations and laws clearly fall within the ambit of the dimensions of personal, professional and organizational integrity described above.

## **3. Methodology**

Library and internet materials – focusing specifically on statistical data from the PCB official website, speeches of the various Prime Ministers, Auditor Generals and relevant documents have been used for content analysis in this analytical paper. Questions on leadership and their attitudes/conducts were posed by the author to Tan Sri Ambrin Buang, the current Auditor General, during the Question and Answer session of his Premier Lecture on 2 November

2012 at Universiti Sains Malaysia, in the effort to seek further explanation on the causes contributing to integrity weaknesses in the public sector.

#### 4. Research Results

**Table 1a: Number of complaints received against ministries and state agencies according to categories from 2000 - 2007**

Categories of Complaints	2000	2001	2002	2003	2004	2005	2006	2007
Delay/No Action	1560	1321	1641	1533	1271	1130	1296	1335
Unsatisfactory Quality of Service	14	122	97	182	126	155	573	414
Unfair action	448	465	588	446	337	337	369	309
Failure of Enforcement	208	297	216	200	172	292	350	266
Misconduct of Civil Servants	75	70	131	121	103	77	103	63
Abuse of Power or Misappropriation	33	47	45	66	132	86	85	48
Failure to Adhere to Set Procedures	78	40	94	82	101	96	111	98
Inadequacies of Policy Implementation and Law	19	2	24	16	22	14	33	19
Total	2435	2364	2836	2646	2264	2187	2920	2552

Source: adapted from the Public Complaints Bureau's official statistics, at <http://www.pcb.gov.my/bpaweb.php?lang=E> (accessed on 25 February 2013)

**Table 1b: Number of complaints received against ministries and state agencies according to categories from 2008 - 2012**

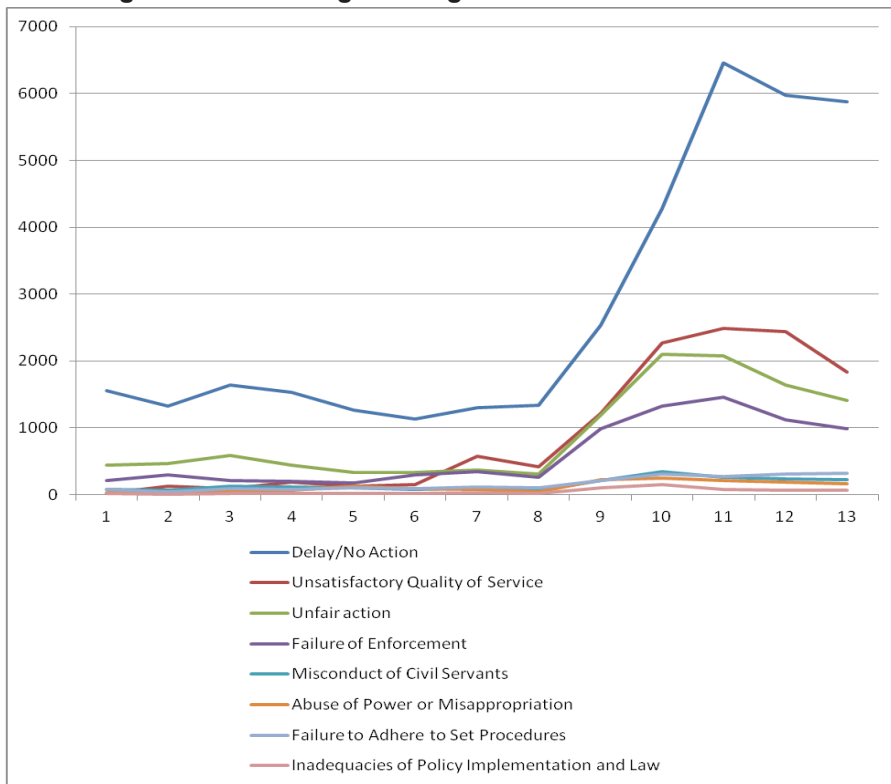
Categories of Complaints	2008	2009	2010	2011	2012
Delay/No Action	2534	4275	6452	5975	5879
Unsatisfactory Quality of Service	1212	2275	2493	2437	1837
Unfair action	1198	2095	2074	1643	1406
Failure of Enforcement	990	1330	1460	1122	989
Misconduct of Civil Servants	212	341	255	239	222
Abuse of Power or Misappropriation	222	246	216	194	160
Failure to Adhere to Set Procedures	212	306	268	309	317
Inadequacies of Policy Implementation and Law	99	151	73	68	70
Total	6679	11019	13291	11987	10880

Source: adapted from the Public Complaints Bureau's official statistics, at <http://www.pcb.gov.my/bpaweb.php?lang=E> (accessed on 25 February 2013)

Tables 1a and 1b as well as Graph 1 show that the number of complaints against both ministries and state agencies was lowest in 2005 with 2187 complaints while the highest number was recorded in 2010 with 13,291 complaints. The trends of complaints recorded show delay or no action as being the main issue adversely affecting public sector integrity, followed by issues of unsatisfactory quality of service, unfair action and failure of enforcement. The general trend is for all complaints' categories to increase upwards from 2000 to 2010; although the most significant increases were recorded in 2008 as reflected by the delay or no action, unsatisfactory quality of service, unfair action and failure of enforcement, categories. However, these drastic increases are attributed to the incorporation the of general issues' statistics into the different categories of

complaints; something that was not done by the PCB before (and hence the lower statistics from 2000 to 2007). From 2011 onwards, the downward trend of most of the categories of complaints can be observed; the exception being only the category of failure to adhere to set procedures, which later followed this trend in 2012.

**Graph 1: Number of complaints received against ministries and state agencies according to categories from 2000 – 2012**



Source: adapted from the Public Complaints Bureau’s official statistics, at <http://www.pcb.gov.my/bpaweb.php?lang=E> (accessed on 25 February 2013)

Although numerous significant ethics-based initiatives to strengthen and improve on the value system of civil servants so as to enhance the integrity of the public sector have been introduced, the prevalent upward tendency of public complaints indicate that the lackadaisical attitude, inadequate accountability and noncompliance, as well as some department heads’ attitudes of not taking adequate punitive or disciplinary actions against offenders have contributed

to this undesirable situation (Ambrin Buang, 2012).

Despite the existence of numerous legislations (e.g., the Police Act, Anti-Money Laundering Act 2001), enforcement, regulatory agencies and the Integrity Management Committee, methods to improve systems and work procedures, as well as integrity vetting mechanisms, it is only with the introduction of KPIs under the GTP in 2010 that have made civil servants more vigilant, resulting in a downward trend of integrity related complaints. The Whistleblower Protection Act of 2010 has also been introduced to enhance the country's integrity management system. It must be noted that the public has been more rigorous in exercising their roles as principals by utilizing all of the avenues provided by the PCB to channel their complaints (by walking-in, calling, texting, faxing, emailing, lodging complaints at PCB's web portal and mobile counters, among others). The complaints received by PCB are analyzed and used to make systemic improvements as well as to resolve potential complaints issues (Tam Weng Wah, 2012). However the customers and stakeholders themselves must be principled enough so as to ensure that complaints lodged have substance and can be substantiated by evidence, and not based on unrealistic expectations or ignorance about rules and procedures.

## **5. Conclusion**

The discussion on the different categories of public complaints shows that public sector integrity can be improved if effective and conscientious leadership that set the required organizational climate for the enhancement of personal and organizational integrity dimensions are implemented; thus reducing public complaints. Indeed the KPIs set have resulted in changing the attitudes and commitments of civil servants because of the evident government's seriousness about strengthening public sector integrity so as to achieve the objectives of Vision 2020. Indeed consumers and stakeholders can make positive contributions in this endeavor by being principled principals.

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# The Role of Hamlet (Dukuh) in the Public Service Delivery: a Case Study in Nogotirto Village, Sleman, Yogyakarta

Nur Faidati

## Abstract

*The research is conducted in the concern with the dissatisfaction of services provided by the Hamlet (dukuh) in the administrative processes. The Hamlet or also known as the head of the village plays a vital role in public services at the grassroots level. The purpose of this study is to determine whether the Hamlet functionaries in the village of Nogotirto have been performing their duties and functions in accordance to the existing government regulations, namely PP. 72 of 2005 about village and Local Regulations of Sleman Regency 2 of 2007 concerning with the guidance of the organizational structure and work procedure.*

*To achieve the objectives mentioned above, the method is used in this study is field observation and literature review. Furthermore, this study also uses interview to complete data that can not be obtained in the literature review.*

*The findings of research is that most of the Hamlet in Nogotirto do not perform their duties and functions well. Hamlet who cannot do their job properly usually due to the lower educational background which in turn caused lack of understanding of his duties and functions to which it appears. The second cause is lower economic status of 'Hamlet' head which drives the Hamlet to make money from any possible way. The third is the regulation puts the status of Hamlet in confusion.*

*From this study can be concluded that at least there should be a change in the requirement and recruitment process for the Hamlet candidates. Wherein, terms of the dedication of the candidates should to be added. Dedication is measured through a series of fit and proper tests conducted by the selection committee. The candidates who pass the fit and proper tests is eligible to join the next round of Hamlet election. The process is relatively expensive and complicated. However, in terms of impact, this process can provide multiplier effects in the form of a good quality of public services at the grassroots level. Other alternative recommendation is by convening such a training and development (capacity building) to overcome the problem of updating skills and competency gaps of the Hamlet. The third recommendation is revision of the regulations concerning about organizational structure and work procedure of the village and the Hamlet authority.*

**Keywords: Hamlet, Public Service, Good Governance**



## 1. Introduction

### 1.1 The Feature of Today's Hamlet

Head of Hamlet or known as Hamlet has the task of carrying out the activities in the field of government and social development within its jurisdiction. Hamlet has a duty to support the task of government in the civic administration, such as the ID card, family card and birth certificate. Citizen who look for a card or certificate are required to obtain a letter of introduction from Hamlet to be further processed and issued by the sub district government. In the field of public services, Hamlet has a duty to support the general administration at village level such as providing cover letter and recommendation letter. Poor people who seek health financial compensation, are also required to obtain a certificate or letter of recommendation from Hamlet to be further processed by the relevant agencies.

Thus, hamlet has many roles in the administrative services of residents in their region. However, in daily practice, the services sometimes are not given properly. As an example, the fee for ID card (KTP) and family card (KK), according to the local regulation of Sleman Regency is only IDR 6,000 dan IDR 3,000, respectively. In fact, Hamlet put a tariff IDR. 20,000 for this type of services. There is a significant difference between the 'official rate' and the rate that is set by Hamlet. In this context, the resident is assumed will complete the process of getting ID card or family card by themselves. However, in daily practice, the Hamlet offers the resident to go through the process. Another important aspect that needs to be observed is the fact that Hamlet does not inform the resident, as a customer, about the official charges.

This paper is not intended to address anyone who facilitates affairs, but rather on how the principles of transparency and accountability as the materialization of the principle of good governance is implemented in the practice of public service delivery. In many cases, what have been done by Hamlet in Sleman, is not in accordance to the principles of good governance. Three principles

are not applied in the tasks of Hamlet which are the transparency principle, the principle of accountability and the rule of law. The transparency principle is not applied because Hamlet does not open and convey any information related to the procedures and costs. The principle of following the rule of law is not applied because Hamlet does not comply the regulation concerning the issuance procedure of ID Card, family card, and birth certificate. While the accountability principle is not applied because Hamlet draws levies that cannot be accounted in accordance to the applicable rules.

Furthermore, some of Hamlets are often discriminatory in providing administrative services to the community, such as in giving a statement as poor (poor families) to obtain compensation for medical expenses in the hospital. The same case is occurred on administrative requirements for the local micro entrepreneurs who want to propose the economic support from the government. The Hamlet is often offers complicated procedure because they want to give it to their families who also have business.

If the good governance notion is interpreted as an open governance, clean, dignified, transparent and accountable, then what is done by Hamlet in providing public services to the community is not in accordance to these principles.

This paper is intended to elaborate information about whether Hamlet in Nogotirto Village in Gamping District, Sleman Regency, already put their duties as village's regulations as mentioned in PP. 72 of 2005 and Local Regulation of Sleman Regency. 2 of 2007 concerning The Guidance of The Organizational Structure and Work Procedure. Further, this paper is also intended to address the factors that cause violation that performed by Hamlet in performing public service delivery.

## **1.2 Hamlet In Nogotirto Village**

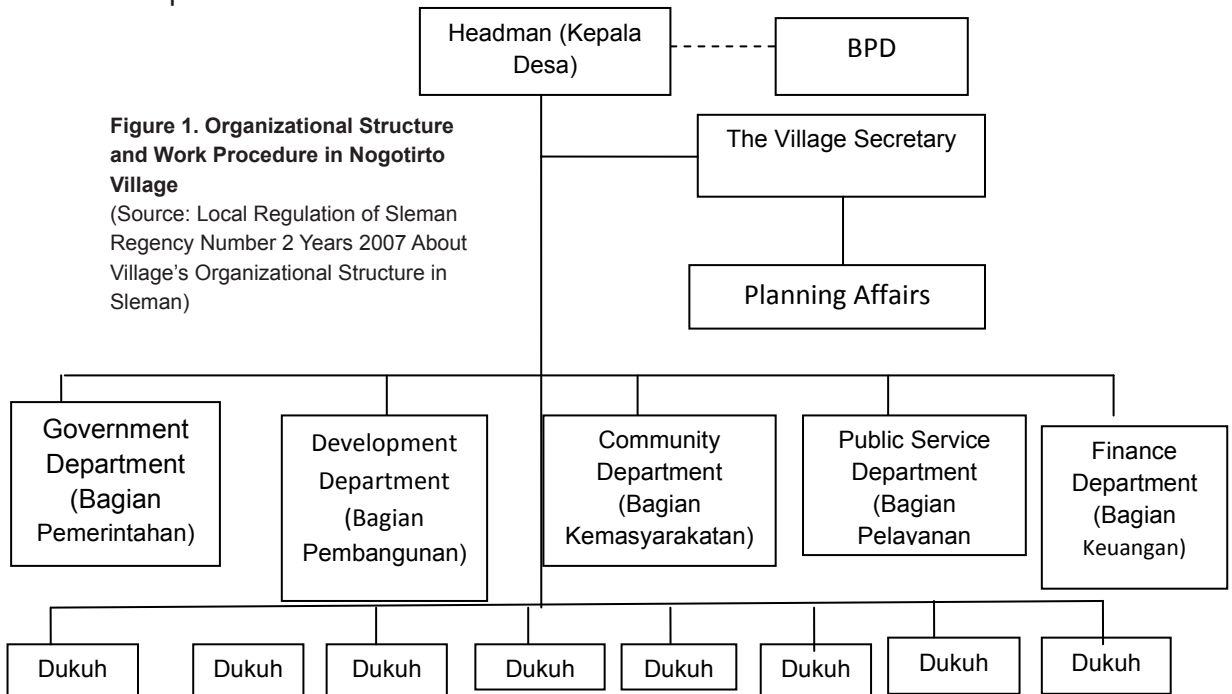
Nogotirto is a village that is located in the Gamping District, Sleman Regency, DIY, Indonesia. Total area of this village is 3.49 km<sup>2</sup>. The number of residents in this village is about 14,916. The population density is estimated 4,274 people/km<sup>2</sup>.

Nogotirto village is divided into eight regions that is called as Hamlet. Each Hamlet is headed by Hamlet (chief of Hamlet). Here below is a Hamlet in Nogotirto:

**Table 1. Hamlet in Nogotirto Village**

No	Name of Hamlets	Chief of Hamlet	Name of Sub of The Village (Kampung) and Housing
1	Cambahan	Saiful Kurob	Cambahan, Pundung, Salakan
2	Kajor	Suwarmaji	Kajor
3	Karang Tengah	Tugiman	Karang Tengah, Kramatan, Niten
4	Kwarasan	Suwadi	Kwarasan
5	Mlangi	Nur Salim	Mlangi
6	Nogosaren	Solikin Nurcahyo	Nogosaren, Blendukan
7	Ponowaren	Joko Purwanto	Ponowaren
8	Sawahana	Muhammad Muallif	Sawahana

In the organizational structure of the village, the position of the Hamlet is in the lowest of the structure and directly dealing with the public.



**Figure 1. Organizational Structure and Work Procedure in Nogotirto Village**  
 (Source: Local Regulation of Sleman Regency Number 2 Years 2007 About Village's Organizational Structure in Sleman)

Hamlet in Nogotirto is appointed through the administrative selection and election process (Local Regulation of Sleman regency No. 5 of 2010 Article 2 paragraph (2)). The process of nominating Hamlet's candidates is usually preceded by the agreement of a group of people to nominate someone who presumably has a high involvement in social activities. From this process, it is certain that the Hamlet has a closeness with the community in general. But, later on, there is a sort of 'gap' between the Hamlet and the community. Then, the community is no longer close to the Hamlet because they are considered unable to translate the wishes and aspirations of the people.

However, there is also a Hamlet which remains close to the people. As the Hamlet gives the protection to the community and able to interpret well the desires and aspirations of the community.

## **2. Literature Review**

### **2.1 Good Governance**

The shift of the state conception from 'nachwachterstaat' (the night watchman) to the conception of the welfare state (welfare state) have consequences on the role and activities of the government. In this context the role of the government is no longer just the night watchman, but in accordance with the concept of the welfare state, the government is obligated to *bestuurzorg* (general welfare). To that end, the government was given the authority to intervene (*staats bemoeienis*) in every field of life of people (Ridwan, 2006:241).

Along with the shift in the implementation of the state through the concept of the welfare state, then is known good governance, term that at first glance could be interpreted as good governance, or can also be linked to the demand for professional government management, accountable and free from corruption, collusion and nepotism (Ubaidullah and Razak, 2010:15).

On the other hand, governance is defined as the process of decision that are implemented (or not implemented). The governance can be used in several contexts such as corporate

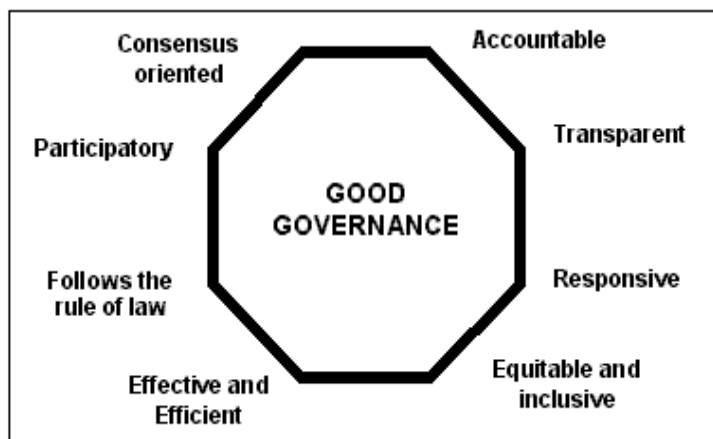
governance, international governance, national governance and local governance. In general sense governance means exercising political power to manage a nation affair. Today governance is seen as a reflection of the role of the state in giving direction to the development, a country and political regime (Ahmed, 1228: 2010).

According to world bank booklet reports, Governance is the manner in which power is exercised in the management of a country's economic and social resources for development (World Bank, 2002). Governance can be viewed both in positive and negative terms. Good governance and poor or bad governance (Ahmed, 1228: 2010)..

Related to the good governance, Miftah Thoha defined it as an open governance, clean, dignified, transparent and accountable (Thoha, 2008:2). Furthermore, in the opinion of the World Bank in its report on 'Good Governance and Development', said that 'good governance' as a public service that is efficient, reliable judicial system, the government is responsible (accountable) to the public (UNDP, 1992).

According to UNDP, good governance is a synergistic relationship between the state, the private sector (market), and a society which is based on the nine characteristics, namely: participation, rule of law, transparency, responsive attitude, consensus-oriented, welfare/ togetherness, effective and efficient, accountability and strategic vision

**Figure 2: Characteristics of good governance**



(Source: <http://www.unescap.org/pdd/prs/ProjectActivities/Ongoing/gg/governance.asp>)

**(1) Participation**

Participation is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand.

**(2) Rule of law**

Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

**(3) Transparency**

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media.

**(4) Responsiveness**

Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

**(5) Consensus oriented**

There are several actors and many view points in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to

achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.

**(6) Equity and inclusiveness**

A society's well being depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well being.

**(7) Effectiveness and efficiency**

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

**(8) Accountability**

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organization or institution. In general an organization or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

### **3. Methodology**

The study was a combination of literature review and a qualitative study through field observation and interviews. It was carried out at December 2012 until March 2013. Literature/ documents that is reviewed is several books on public services, government management, public management, public administration and government regulation concerning with the Hamlet and their authorities.

Other documents that are used for the literature review is relevant journals on good governance in the public services. Key terms that we used are: good governance and public service delivery, public service delivery in a good governance notion. The process of literature finding was commenced in January-March 2013.

Furthermore, this study also used semi structured interviews to complete the data. The interviews were conducted in the office of Nogotirto Village by 15 respondents, that consist of The Headman, The Village Secretary of Nogotirto, The Chief of Finance Department, The Hamlet (3) and The Community of Nogotirto Village (9). Interviews were conducted between December 2012 -March 2013.

The study is a descriptive which is conducted by exploring the hamlet's duties and functions, people's satisfaction, public's expectation for the services. Data analysis techniques in this study had the following sequences:

- 1) Collected and reviewed the obtained data from the literature review, the results of observations, interviews and secondary data, then arranged and created group in the same category. Category in this study using the basis of the operational framework.
- 2) Summarized the data in various forms and perform data selection by setting aside unneeded data. It is intended to facilitate the interpretation of the data to be presented.
- 3) Interpreted the data to get clarity whether Hamlet in the Nogotirto village has done their duties and functions in accordance with the rules already laid down in the regulations i.e. PP. 72 of 2005 on the village and also Local Regulation of Sleman Regency 2 of 2007 concerning The Guidance of The Organizational Structure and Work Procedure.
- 4) Making conclusions based on the data that has been processed.



## 4. Research Result

### 4.1. Seeking The Cause: Why does The Hamlet Draw 'Illegal Payments' from The Residents?

From educational background point of view, Hamlet in Nogotirto has a varied background. 8 of among Hamlets in Nogotirto, 2 (25%) Hamlet hold undergraduate (Bachelor), and 6 (75%) others are high school graduates. Local Regulations No. 5 of 2010 section 9 points d, states that to be a Hamlet, it requires minimal education that is certified junior high school and/or equivalent.

**Table 2. The Educational Background of Hamlet In Nogotirto Village**

No	Name of Hamlet	Chief of Hamlet	Educational Background
1	Cambahan	Saiful Kurob	High School Graduates
2	Kajor	Suwarmaji	High School Graduates
3	Karang Tengah	Tugiman	High School Graduates
4	Kwarasan	Suwadi	High School Graduates
5	Mlangi	Nur Salim	High School Graduates
6	Nogosaren	Solikin Nurcahyo	High School Graduates
7	Ponowaren	Joko Purwanto	Undergraduate
8	Sawahan	Muhammad Muallif	Undergraduate

Source: The Office of Nogotirto Village

Based on this condition, it can be understood why the Hamlet in Nogotirto have limitations in translating their duties and functions. The duties and functions that is owned by Hamlet is described in detail by the local regulations 2 of 2007. Some of Hamlets which have a background of undergraduate education has no difficulty translating their duties and functions. However, a Hamlet that has a lower educational background, has difficulty in translating them.

Furthermore, these conditions have consequences in competence that is owned by Hamlet in Nogotirto. Hamlet which has educational backgrounds as an undergraduate, tend to be more

creative and innovative in translating their duties and functions, while Hamlets which has lower educational background tend to be limited. Thus, research found a phenomena that there is or no Hamlet in the region are the same.

This fact showed that education has a positive relation to the performance of the Hamlet. The higher the level of education will have an impact to the quality of performance (productivity and quality of service) and vice versa.

Another thing that also influences Hamlet's behavior in running their duties and function is a culture that is deeply rooted in the Hamlet and village government. The lower income and status of 'Hamlet' allow them to dig 'rupiah' from anywhere. Thus, asking for more money from the people who use the 'services' of Hamlet for completing the process of ID cards and civil certificate production is legitimated.

The fact that the needs of Hamlet as an informal leader who has a high economic burden, but not supported by an adequate budget allocation, also causing the Hamlet to use all its resources to be able to dig out the rupiah from the available services .

The confusion of regulation concerning Hamlet could become a reason as well. In the structure of government in Indonesia, the Hamlet is not explicitly included in the structure of government (PP 72 of 2005). The lowest structure of the government is the village government. This condition is different with the Local regulation of Sleman Regency 2 of 2007 concerning about The Guidance of The Organizational Structure and Work Procedure of Village. In this regulation, the lowest structure of the government is the Hamlet. Two regulations which 'are out of sync' is on stage further cause confusion about the governing authority in providing public services to the community. On the one hand, the authority of the Hamlet is not regulated in the regulation because it is not included in the structure of government and on the other side the Hamlet is in the structure of government that has the authority to serve the community.

Similar as issues mentioned above, Hamlet in the system of

government in Indonesia is actually designed as a more informal leader in the field of social work. However, the function is very 'out of sync' with the appointment mechanism of Hamlet that is appointed through a process of selection and election administration (Local Regulation of Sleman Regency 5 of 2010 Article 2 paragraph (2)). This process led to the Hamlet that has only one hand, social function, must also carry out government duties. This poses a serious problem when the Hamlet should perform the function of government, because in practice the Hamlet has no such skill. The mechanism of selection cannot select candidates with capabilities, because who is going to candidacy is the candidate who has broad support and high involvement in social activities.

## 5. Conclusions

This study concludes that most of the Hamlet in the village of Nogotirto do not perform their duties and functions well, as the duties and functions set forth by local regulation of Sleman regency 2 of 2007 article 29, namely: (1). carrying out activities in the field of governance, and social development within its jurisdiction, (2). fostering peace and public order within its jurisdiction, (3). implement such regulations, decisions and policies of the village head chief of the Villages in their works.

For the other tasks are also set forth in article 29, which helped the headman in carrying out the duties and activities within its jurisdiction, as well as preparing reports and evaluation of the implementation of the Hamlet. These three functions are not taken to be measured these three tasks not directly related to the public services in the field of administration provided by the Hamlet to the public.

At a more advanced stage is known that the Hamlet is not only able to carry out their duties and functions optimally in accordance to the duties and functions set forth in Local Regulation of Sleman Regency 2 of 2007 article 29, but also had been growing a fertile corruption at the lower level in the form of the 'illegal' drawn by

the Hamlet as compensation for public services that have been provided.

Furthermore, there should be a change in candidates' selection process of Hamlet. The term of dedication for the process should be added. Dedication is measured through a series of fit and proper test conducted by the selection committee. Candidates who pass fit and proper test is the Hamlet that eligible to be participants Hamlet. The process is relatively expensive and complicated. However, in terms of impact, this process can provide a multiplier effect in the form of good quality public services at the grassroots level.

Another alternative that can be offered is the convening of training and development (capacity building) to overcome the problem of updating skills and competency gaps of the Hamlet. The material can be delivered in the training is related to the following:

- 1) Regulations concerning about the villages and specifically about Hamlet (PP. 72 of 2005, Local Regulation of Sleman Regency 2 of 2007, Local Regulation of Sleman Regency 5 of 2010, etc.),
- 2) The institutional and the authority of Hamlet in order to optimize service delivery,
- 3) Management of basic government, and
- 4) Leadership.

From the training is expected that the issue of the lack of capacity owned by Hamlet is insurmountable and can provide good service for the community.

Another alternative is to revise regulations concerning institutional and organizational structure and work procedure of the village and the Hamlet authority. So the Hamlet no longer performs the functions of government and development, but purely social.

In the structure of government in Indonesia, the Hamlet is not included in the government structure. The structure of government is the lowest village government. This condition is different from the local regulation concerning institutional organizational structure and work procedure of the village. In this regulation, the lowest structure of the government is the Hamlet. Two regulations 'are out

of sync' is on stage further cause confusion about the governing authority in providing public services to the community. On the one hand, the authority of the Hamlet is not regulated in the regulation because it is not included in the structure of government and on the other side of the Hamlet in the structure of government that has the authority to serve the community. For that agenda to revise or synchronize regulations concerning the Hamlet should be clarified so as not to cause confusion.

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# Social Audit Poverty Alleviation Program: Social Audit *Program Raskin* in 2012 in Gunungkidul

Tenti Novari Kurniawati

## Abstract

*Poverty alleviation policies in Indonesia have minimal community oversight. Community needs to be encouraged to participate in monitoring. Social audit is an instrument to monitor the implementation of policy. This is a tool that can be used to measure non-financial activities, monitor the consequences of a program both internally and externally, an in-depth, systematic and organized monitoring based on the assessment of the various stakeholders. It can be used to find out how far the benefits and impacts of poverty program, like rice for the poor program. This program is to strengthen the food security of poor households and becomes part of the social protection program. The successful indicators of the program are right target, time, price, quantity, quality and administration.*

*Social audit for program RASKIN in 2012 is to audit the six successful indicators and also to see how the access, participation, control and benefit for targeted household-beneficiaries. Social audit uses quantitative and qualitative methods, interview, FGD's with targeted household-beneficiaries, local government, BULOG and distribution implementation teams in the two villages, Girimulyo and Plembutan.*

*This social audit concludes that RASKIN are not right target, right price and right quantity. This program are right quality, right time and right administration. Targeted households-beneficiaries do not receive the exact amount of the rice, and they paid more expensive than the set price. Raskin program implementation is also not open access, for participation and control for the poor to participate in the policy Raskin program from planning, implementation and reporting of the Raskin program.*

**Keywords:** *rice for the poor(raskin), implementation, benefits*

## 1. Introduction

Various poverty alleviation programmes have been launched by Indonesia. One poverty alleviation program that has been launched since 1998, is a program called "RASKIN" (Rice for the Poor). *Raskin* is a program to strengthen the food security of poor households and becomes part of the social protection program. In many areas, the *Raskin* program implementation faces many problems. Some of the problems that arise are *Raskin* received by residents who are not eligible to receive *Raskin*, very poor quality of rice, even reduced by the amount of rice for those who take advantage of the *Raskin* program. So far, there has not been a thorough assessment of the *Raskin* program in terms of the program benefits and the impact of the program into the poor.

The government itself is trying to keep improve *Raskin* program policies, one of them is by continuing to improve the General Guidelines for *Raskin*. General Guidelines expect to accommodate local operational and policy initiatives aimed at improving the implementation of rice for distribution in regions adapted to the conditions and limitations of each region. Implementation of the next set of policies in the Provincial Guidelines and Technical Guidelines at district/city level. *Raskin* program is considered successful if it can achieve the indicators of Six Right (6 R), ie Right Target, Right Quantity, Right Price, Right Time, Right Administration, and the Right Quality. In the General Guideline regulates the Management and Organization, Planning and Budgeting, Implementation Mechanism, Control and Reporting and Dissemination. Society could play an important role starting from the management, planning, budgeting and control. There is no phase of control or phase of monitoring, evaluation and supervision, unfortunately the only mechanism is until the district level, so that the conditions prevailing at the village and sub district even to Target Household – Beneficiaries (RTS-PM/ Rumah Tangga Sasaran-Penerima Manfaat) is not being monitored well, so that the problems that arise are unaddressed.

## 2. Objective

Social audit of the Raskin Program aims to ensure 6R aspect, especially for the implementation of Raskin program in 2012. Based on the data and information obtained from the General Guidelines for Raskin in 2012. From the annual report on Raskin in 2011 issued by the District government Gunungkidul, the Raskin program success indicator 6 R are:

- 1) Right target beneficiaries, according to the List of Beneficiaries (DPM)
- 2) Right quantity, the right fit is a Target Household (RTS) as much as 15 kg/RTS/month for 12 months
- 3) Right price, Rp. 1,600.00/Kg net distribution points.
- 4) Right time, as scheduled Rice distribution plan that has been developed in each month.
- 5) Right administration, fulfillment of administrative requirements is correct, complete and timely.
- 6) Right Quality, quality requirements are met in accordance to the standard rice quality of Logistic Agency (BULOG).

In addition to ensuring the success of 6R, also ensures the mechanisms of regional BULOG DIY start it up with the Target Household-Beneficiaries (RTS-PM). Social audits are also conducted to see aspects of access to Raskin policy information, aspects of citizen participation in Raskin policy, aspects of control or supervision of the citizens in the Raskin program and aspects of benefits from the Raskin program.

## 3. Literature Review

### 3.1. Social Audit

According to Thomas K, the social audit is a tool that can be used to measure non-financial activities, monitor the consequences of a program both internally and externally as well as an in-depth scrutiny, systematic and organized monitoring based on the assessment of the various stakeholders. Moeljono states that



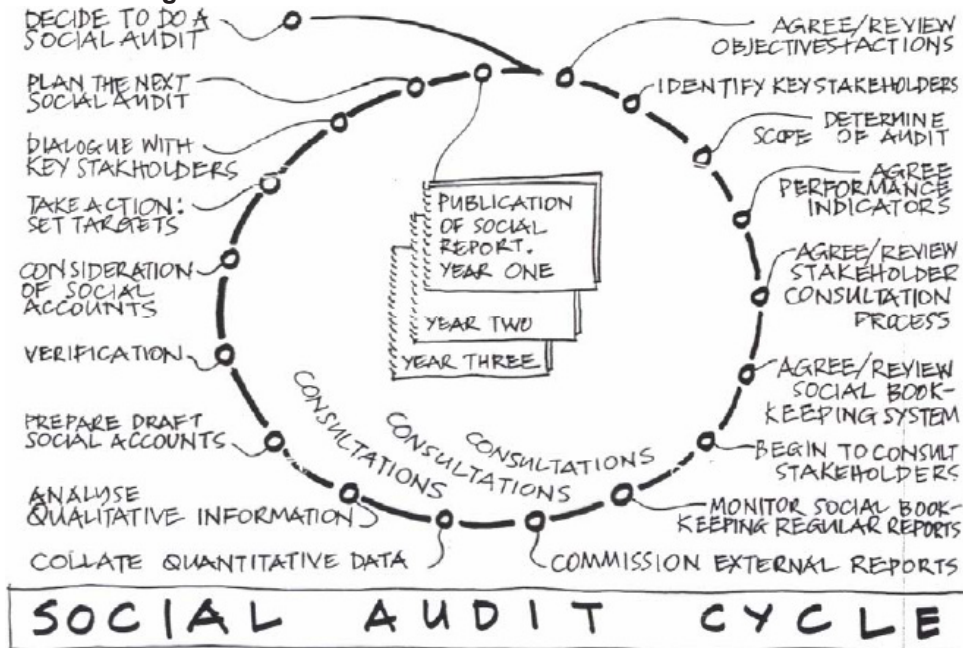
social audit is the process of measuring and understanding the social aspects of institutional performances. Social audit can show tangible results, the impact and benefits of the program to the social environment that have emerged through the systematic monitoring and democratic views of stakeholders.

Furthermore, Thomas K indicates that the purpose of social audit is not to find fault with the functionaries of the individual, but to assess the performance of social, environmental and community objectives of an organization. It can measure the extent to which an organization is able to achieve the goals of the program and activities. In addition, it will also provide an assessment of the impact of non-financial activities, and can be monitored in a systematic and regular basis, based on the views shared by the stakeholders.

The 8 main principle of the Social Audit, namely:

- 1) Multi-Perspective/Polyvocal. Aiming to reflect the views of all the people /stakeholders involved in or affected by the organization/ department/program.
- 2) Comprehensive. Aims to report on all aspects of the organization's work and performance.
- 3) Participatory. Encourage the participation of stakeholders and share the values of these stakeholders.
- 4) Multidirectional. Stakeholders share and give feedback on various aspects.
- 5) Regular. Aiming to produce social accounts on a regular basis so that the concept and practice which covers all the activities and culture of the organization to be embedded.
- 6) Comparison. Provide a means by which organizations can compare their own performance annually and to norms appropriate external or predetermined benchmarks.
- 7) Verification. Ensuring that social accounts audited by a person or body in accordance to experienced without any interest to the organization.
- 8) Disclosure. Ensure that social audit disclosed to stakeholders and the wider community for the benefit of transparency and accountability.

The ideal Stage of social audit can be described as follows:



Sources: Thomas Kurian, Center for Good Governance, Hiderabad, 2005

Stages of social audit from the picture can be simplified into the stage of determining the object and scope to be audited, drafting tools made in a participatory manner, testing tools, enhanced tools, the implementation of social audit, social audit data verification, data processing, preparation of reports results of social audits, hearings and dialogue, delivery of results to stakeholders and institutionalization agreement to conduct social audit.

### 3.2. Raskin Program in Indonesia

Raskin program is one of the Poverty Program Cluster 1, which includes family-based social assistance programs that have been running regularly since 1998. Through this program, the government provides assistance to the poor to earn the right to food. Based on data released by the Coordinating Ministry for People's Welfare, the Raskin program has contributed 39.6% of the demand of rice every month to RTS-PM. The program uses data on Social Protection Program (PPLS/Pendataan Program Perlindungan Sosial) 2011 conducted by Statistic Agency (BPS) and fixed by National Team on the Acceleration of Poverty Alleviation (TNP2K) using Integrated

### Data Basic Social Protection System.

In Gunungkidul, DIY, in 2011 the number of Poor Households as Very Poor Household (RTSM) 74,632 spreads across 144 villages and 18 district each received 15 Kg with Rp.1,600.00, per Kg. Specially in December an additional 13<sup>th</sup> Raskin as much as 15 kg/Poor Household (RTM) at Rp. 1,600.00/Kg. Rice that has been disbursed as of December 2011 as many as 14,553,240 kg and in each month receive 1,119.48 million kg over the next 12 months, and 13<sup>th</sup> Raskin as 1,119.48 million Kg. For the payment of the total until December 2011 amounted to Rp. 23,285,184,000.00 and stated not happen payment. Meanwhile Assistance Fund from the budget year 2011 amounted Gunungkidul Rp 472,292,000.00

For the year 2012, the people eligible to receive Raskin for Target Household – Beneficiaries (RTS-PM) are registered by name and address in the list issued by the Coordinating Ministry for People’s Welfare No.. B-1128/KMK/DEP.II/V/2012 Date May 22, 2012. Target Household–Beneficiaries (RTS-PM) are decided based on data from Social Protection Program Year 2011 (PPLS 2011), Gunungkidul iis included as eligible because Raskin ranks lowest 40% over Indonesia based on 2010 Population Census data. In 2012 Statistic Agency (BPS) submit data from 2011 to National Team on the Acceleration of Poverty Alleviation (TNP2K) on Data for Social Protection Program (PPLS) and identified number of 17,448,007 Target Household-beneficiaries (RTS-PM). TNP2K then submit to the Coordinating Ministry for People `s Welfare Coordinating Ministry for People’s Welfare and submit to the Governor, from the Governor to the district/city. The data are then used to set the ceiling of the district/city. Under General Guidelines for Raskin in 2012, Data on Target Household-Beneficiaries (RTS-PM) may be overridden by the village assembly mechanism prerequisites:

- There is a RTS-PM where there is only one person and dies
- There is a RTS-PM moved out of the village address
- Households replacement RTS-PM priotitized vulnerable household
- The number of members of a larger family

- Women domestic workers/ house wife/ elderly
- The poor physical condition of the house is inhabitable
- Low and non-permanent income

Or by means of mechanisms:

- The village head record RTS-PM who had moved or died and his successor households Recap Substitute Form (FRP)
- Head to Head FRP present to village as a responsible for Raskin program in the district
- FRP will be taken to the district clerk post offices in the third week of August 2012 and will be sent to TNP2K

Raskin Center Coordination Team will do:

- Print a list of names and addresses of RTS-PM and sent to each village to put on the village office.
- Socialization through posters.
- At the time of delivery to the RTS-PM Raskin receipt Raskin made by implementing distribution.

Basic implementation of the Raskin program in 2012 Gunungkidul refer to:

- 1) Welfare Decree No.. B.910/KMK/DEP.II/IV/2012 dated 24 April 2012 regarding Capping Raskin Province June-December 2012
- 2) Yogyakarta Governor Decree No.. 163/KEP/2012 dated May 15, 2012 on the Determination Capping Raskin Year 2012
- 3) Gunungkidul Decree number: 203/KPTS/2012 dated June 1, 2012 on the amendment decree number: 20/KPTS/2012 know about determining the RTS-PM Raskin in 2012
- 4) The number of RTS-PM Gunungkidul In 2011 as many as 74 632 RTS-PM, and the number of RTS-AM in 2012 as many as 93 944-AM or increased RTS RTS-19 132 PM.

Under these conditions, the rules of the Raskin program are set up properly in the General Guidelines for Raskin, Rice subsidy for low-income communities. In practice, a lot of things that do not fit with General Guidelines, so we need a social audit to determine

whether the implementation of the Raskin program is accordance to existing rules and actually beneficial to low-income communities.

## **4. Methodology**

### **4.1. Event Location**

Social audit conducted in Gunungkidul, DIY by choosing two villages namely Girimulyo and Plembutan. Both villages are chosen because IDEA has long shared with the residents and villagers doing budget advocacy work, so the relationship that developed between the residents and the village is well established.

### **4.2. Stages of Activity**

Steps being taken in the social audit process are:

- Training of social audit to Women's Network Group Gunungkidul (JKPGK)
- Test instrument of social audit
- Improved social audit instrument
- Implementation of social audit by the audit team of JKPGK. Audit team was 13 people, each interview 95 household-beneficiaries (RTS-PM), and the implementation team raskin distribution hamlet in 18 villages (Village head) as well as the implementation team for Raskin distribution at the village (chairman, and Head of Division of Community Welfare /kabag.kesra).
- Verification of data from the social audit conducted by JKPGK and IDEA
- Hearing the results of the social audit

### **4.3. Data Collection Methods**

- a. Survey: interviews with 545 RTS-PM in Girimulyo Village and 695 RTS-PM in the Plembutan village with questionnaires that had been developed at the social audit training with the same questionnaire to each respondent. Interview to the implementation team raskin distribution at village level (each hamlet) and rural (village head and People's Welfare/social welfare) with a special questionnaire for implementation team

for raskin distribution at the hamlet and village.

- b. FGD: RTS-PM invites representatives and community groups in each village, community, village and hamlet officials in the Girimulyo village. FGD with district coordination team raskin Gunungkidul, and DIY related government agencies (SKPD), Statistic Agency (BPS), Logistic Agency (BULOG) and representative groups citizens of the district.

#### **4.4. Data processing**

- a. After quantitative data were verified and then data entry into excel and calculated the percentage of respondents to the total respondents were interviewed.
- b. Qualitative data from the FGDs categorized based on key issues as they arise.
- c. Joining the results of quantitative and qualitative data

### **5. Research Result**

In Girimulyo village, among 545 household-beneficiaries (RTS-PM) interviewed, 533 is successful while 12 households can not be found because of the following reasons: as a migrant worker (who had moved there), there were not at home, some are already dead. In Plembutan a total of 695 household-beneficiaries (RTS-PM), which successfully interviewed 681. In terms of livelihoods, Girimulyo 92.9% agricultural and 2.3% laborers as a handyman, while others are traders, housewives and unemployed and Plembutan 83% as a laborer. In terms of education, 47% had elementary Girimulyo, and who do not complete primary school are also relatively large 23%, and 96.9% had elementary Plembutan and the rest there is not complete primary school or no school. For the implementation team and the distribution of rice for the village hamlet is a village and hamlet, village Plembutan Girimulyo majority of high school education and/or equivalent (51%)

#### **5.1. Right target**

Based on the results of the social audit, 99.8% RTS-PM

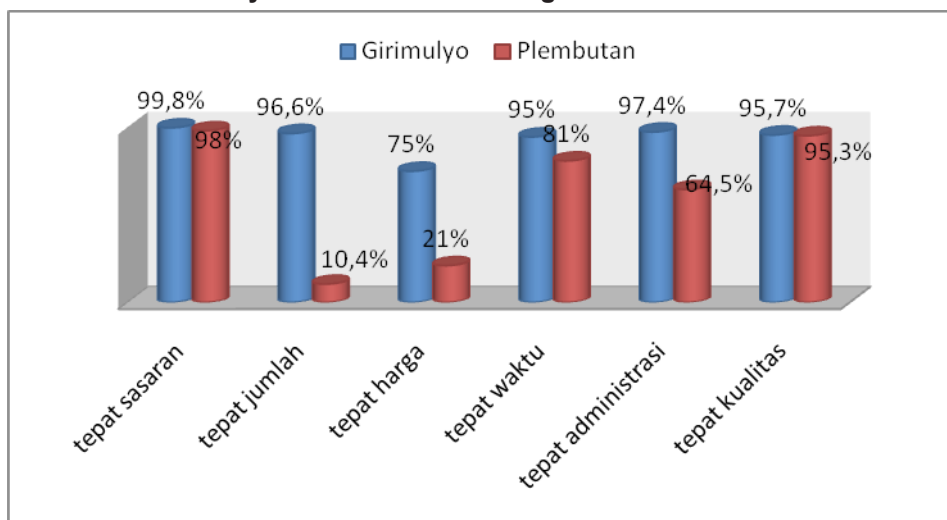
Girimulyo states receive Raskin in 2012 and 98.2% in Plembutan also states accept Raskin. However, 67.9% in Girimulyo states have no raskin cards because they do not keep the card, but saved by a cadre Raskin. It is quite different in Plembutan where 67% claimed to have raskin cards and their own store card. Raskin card should be held by the RTS-PM so that they know that they are truly citizens are eligible to receive Raskin. Differences can also be found at the FGDs in each village, residents stated that it is tricky to have the Raskin program because the people who need it are not listed in the Data on Social Protection Program (PPLS) in 2011 as presented below:

*“If we think and doubt about the right target for raskin because the ones who really needs it is not included in the list of recipients, but instead people are capable are in the list”.*

**Source: FGD Village Girimulyo November 2012**

Based on the results of the social audit, there are people entered in 2011 and entered the data PPLS RTS-PM but they are economically good. There is also a migrant worker who has been successful abroad but still receive Raskin. Thus it can be said that the Raskin program in 2012 is on target, according to the data results PPLS RTS-AM 2011. But it is not be based on the data verification done through village meetings RTS-PM-determination as set out in general guidelines.

**Graph 1. Result of social audit on Raskin program based aspects raskin 6 T in Girimulyo and Plembutan Village 2012**





## 4.2. Right amount

In Girimulyo, 96.6% said households Raskin do not receive the amount is 15 kg/month, in Plembutan 10.4% do not receive the amount is 15 kg/month. 89% stated family raskin receive 15 kg/month and not receiving 15 kg/month of as much as In Girimulyo, the average RTS-PM receives as many as 7 to 7.5 kg Raskin (48.3%) and in Plembutan raskin 15 kg/monthly do not receive in average, that isreceiving 7 to 7.5 kg. Whereas in the General Guidelines Raskin in 2012, stated that if the program Raskin said that precise amount if RTS-PM receives rice for 15 kg/month. Data indicate that the average RTS PM receive rice for as much as 7 -7.5 kg (48.3%), none received 5.5 kg (23.9%), 10 kg (8.3%) 4 kg (3.7%), and some have received 2.5 kg - 3 kg. This finding was strengthened when conducting a FGD with RTS-PM villages Girimulyo, **from Tanggung sub Villages** states that:

*"I hope that if the problem of rice should not be reduced or not empty every month"*

### **Tungu sub Villages also added:**

*"If it can be fixed amount, not reduced. For example, got 15 kilograms so receive 15 kilograms".*

**Source: FGD social audit raskin Girimulyo village, 4 November 2012**

From these statements of citizens, they hope that the rice they received should not be reduced, because it is their rights.

## 4.3. Right Price

Amomng the total of 515 respondents, 79% of them stated that they do not pay price of raskin Rp.1.600/kg, but the majority pay for Rp.2.000/kg (82.2%). FGD was conducted on 7 November 2012, involving RTS-PM in the village implementation team Girimulyo. Raskin distribution in the hamlet and village, RTS-PM receives as many as 7 to 7.5 kg of rice, and pay for Rp.1,400 or Rp. 2.000/kg. From the interview, 54.8% of respondents know the difference between the money they pay for freight, and 18.5% do not know what the difference is. The district government has been allocated a



budget from APBD for the distribution of rice to the each point for Rp.465, 9 million, so the RTS-PM should not pay more than price as set.

From interviews with the implementation team of raskin distribution, the majority said they do not understand General Guidelines for Raskin in 2012 (62.5%), while those who understand only 37.5% in rural areas. This indicates that the basic understanding of distribution mechanism is not well understood by the Raskin implementing team in the hamlets. But at the village level, they are quite understanding about General Guidelines for Raskin in 2012. Team understanding of the General Guidelines of Raskin is firstly important to be disseminated to people.

#### **4.4. Right time**

Besides hoping they accept raskin according to the amount they should receive, people also expect to receive rice for each month, because during the period January - September 2012, there received raskin 9 times (30.8%), none received raskin 10 times (52%). On paper, Raskin should be received by 13th September 2012, or before Eid. In Girimulyo, 94.6% said they received raskin every month. In Plembutan, 80.9% of Raskin family also received raskin every month. From the FGD, RTS-PM stated that time of Raskin delivery is not fixed. According to the information from the Public Welfare Gunungkidul, the implementation team for raskin distribution district, stated that the distribution of Raskin has been done as much as 9 times, plus 13th raskin in September 2012, It means the total received Raskin by the RTS- PM 10 times in 9 months.

#### **4.5. Right quality**

Concerning the right quality of Raskin, 95.7% of respondents stated that raskin is suitable for consumption, but in the FGD stated that rice color sometimes yellow, and it smells not good. As revealed from the statement by x following: *"Raskin sometimes bad sometimes not (yellow, fleas, odor, color glossy and dusty)"*

### **Community from Macanmati sub village also hope:**

*"For proper decent quality of expectations of raskin in other words, good, no odor, no fleas or yellow". Sources: Results of FGD, 7 November 2012*

In Girimulyo, 95.7% said Raskin rice worthy for consumption and in Plembutan 95.3% also stated worthy of consumption. From the discussion focused, no RTS-PM stated that "Raskin sometimes bad sometimes not (yellow, fleas, odor, color glossy, and dusty)".

### **4.6. Right administration**

In Girimulyo, 97.4% stated RTS-PM did not receive proof of payment when paying Raskin and in Plembutan 64.5%. 84.4% said they did not sign the receipt Raskin and 55.2% in Plembutan also did not sign the receipt of Raskin. Based on the results of FGD with raskin team coordination and BULOG Raskin, they said that the indicator is a report from the proper administration and kecamatan village into districts and BULOG adminisitrasi in accordto the existing standards, but when it comes right at the RTS-administration of PM, they should also receive proof of payment and receipt Raskin acceptance.

### **4.7. Delivery Mechanisms**

In terms of delivery mechanism, based on General Guidelines of Raskin in 2012, Raskin should be distributed by implementation team up to the village level or distribution point. However, in Gunungkidul distribution process is involved Local Health Clinic (*Posyandu*) in the village, but it is involves a group of people including the head of RT to assist in the distribution up to the RTS-PM. This is evident from the results of the social audit, RTS-PM in Girimulyo, 30.4% take form the village cadre Raskin and 83.1% in Plembutan take on village hall. The location of the rice and rice payments are not always the same, at 87.1% Girimulyo states pay raskin cadres, but 45% said getting rice at home Head of RT. The majority of RTS-PM takes his own ratio of rice, a total of 79.7% reported taking their own. In Plembutan, 83.1% takes rice in the village hall, and the majority pays rice to the head (50.8%) and 90.7% take rice by themselves.

The process of making their own rice are taken to minimize the occurrence of irregularities, because RTS-PM can check directly the conditions of the received rice, both in terms of quantity and quality. Unfortunately, it often happens RTS-PM just simplifies taking rice and does not check the number and quality of rice so that the rice continues to reduce in number and quality. Continuing control of rice is also not maintained.

#### **4.8. Governance of Raskin and raskin program benefits**

Social audit for the governance of Raskin is done by assessing the access of citizens, citizen participation, citizen control and benefit of Raskin policy for communities. In terms of access to information Raskin program, in Girimulyo 62.5% of family Raskin said they do not understand General Guidelines of RASKIN program and also in Plembutan (60%) while 75% stated took part in the socialization of the Raskin program, and 67% Plembutan also take part in socialization. According to data Raskin, 50% of the government village in Girimulyo and Plembutan stated that Rskin program is posted on the bulletin board.

There are no Public Complaints Unit In Girimulyo and Plembutan. It is based on 100% of source persons from the RTS-PM and distribution team from two villages. District government also do not provide Public Complaints Unit, although based on Pedum raskin 2012 it should be available. From meeting to determine RTS-PM, in Girimulyo village 96.6% said they did not get involved, and also in Plembutan (77%). However, 88% of the team managing the distribution of Raskin stated that they get to involved citizens in Village Meeting (*Musdes*) and Plembutan 80%. In Girimulyo, 94.6% stated that RTS-PM monitor the process of distribution/delivery of rice for distribution points to the RTS-AM, and 96,8% in Plembutan.

The implementation team for raskin distribution in villages and subvillages claimed that 63% took part in monitoring the distribution of Raskin, and in Plembutan 60%. But in Girimulyo 50% stated morbidly role in reporting the Raskin program, and Plembutan 60%. In Girimulyo, the implementation team of raskin 63% stated

distribution by involving citizens in monitoring the Raskin, and 60% Plembutan also getting involvement citizens. From the FGD is goot info that they also socialize to cadres and citizens about raskin, record the candidate RTS-PM, inform to RTS-PM for taking rice in the village hall on the specified date. Beneficiaries are only informed if ready to take raskin or want to come to take, monitor and inform on the RTS-PM, provide direction to volunteers and community, receive rice from BULOG and sign the minutes. RTS-PM said they have never got involved on monitoring raskin distribution, but the said that Raskin useful to reduce the cost of buying rice, help to save lowe class economy.

## 5. Conclusion

- (1) The targeted Raskin program in Gunungkidul fit the data PPLS 2011, but there still people who should be entitled to get rice for, but did not get it because trhey are not listed in the Data for Social Protection Program (PPLS).
- (2) Some Raskin Program is incorrect in the amount of rice and price.
- (3) Raskin program is on time in each RTS-PM point, receiving rice for each month, but it is unclear date of distribution for each month.
- (4) Program administration raskin is not appropriate for RTS-PM
- (5) Raskin program is right quality, but the quality of the rice needs to be improved
- (6) Information and data of Raskin program in 2012 are less socialized in the community. Information on quality standards of rice should be known by RTS-PM
- (7) General Guidelines for Raskin are not known and understood by the people and the implementation team for raskin distribution at village and hamlet levels.
- (8) Residents were not involved in village meetings (Musdes) in determining the RTS-PM and the implementation team for Raskin distribution at village and hamlet levels. They are not part of village meeting (Musdes) to determine the RTS-PM.

- (9) Residents do not conduct monitoring and surveillance of Raskin distribution at the provincial, district, sub-district and village levels.
- (10) There is no Public Complaints Unit at the district, sub-district and village levels.

Raskin program is beneficial to the citizens to get inexpensive rice and helpful for lower income families.

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# INTEGRITY IN THE PUBLIC SECTOR: PUBLIC INTEGRITY AND SOCIAL ACCOUNTABILITY

# Social Capital in Public Service Operation

Wawan E. Kuswandoro

## Abstract

*Social capital in public service practices in the context of integrity in public administration starts from understanding the basic conception of the relation of state and societies (Course 1) that underlines the idea of government and public services.*

*Having passed this discussion, the students will be invited to more deeply understanding about what is happening in the relationship between the state and societies, and between citizens themselves, which affects social relations between citizens and societies in the context of public service. This discussion relates to the local culture and wisdom (Course 2) When students discuss and understand the Course 2, they also studying the values of 'togetherness' in social interaction between citizens and the government as providers of public services (Course 3).*

*The course 2 and 3 lead students to an understanding of the social capital needed in the public service is good and integrity, which includes also the discussion of 'public trust' (Course 4). Here, students have gained an understanding of the theoretical (and practical) and clarified the applicative on an implementation of public services based on the needs of the community involvement and engagement with public service providers.*

*Application of "social contract" is known as 'citizen charter', containing the engagement agreement between public service providers with societies. Or in other words, a promise of service to citizens. Public services are held based on citizen's charter, at an early stage it is considered the most effective bureaucracy reforms, but the continued implementation, still needs efforts, that anything written in the citizen charter is not just a formality documents, but it will effectively force government and citizens to perform better engagement between them to create good public service and integrity (Course 5).*

**Keywords: integrity, public service, social capital, radical methods**



## 1. Introduction

*Public service with integrity should be organized with fully respect and interest to the need of the communities as user of services, because they actually have been given political mandate to the government as a public service provider to deliver good public service for the communities.* This article is consisted the analysis of social capital in public service operation, to support public service with integrity. To make this article more operational I prefer to address it in course of approach. I believe that the theme of integrity needs more action than words can be read by everyone. It needs simultanous process to be integrated to one's attitude and behavior. Therefore, this article is divided into five parts with specific assessment in each but they have close relationship to operate understanding in integrity in public services. Each part shows 'course theme' that drives the learners to specific understanding in each topic and then brought to whole understanding. *First*, relationship between the state and societies. It addresses basic concept of relationship between state and societies in which such relationship produces public service (Course 1). When the learners are consistent in this understanding, the wider range of learning matter is about "what societies and its member really have to get involve in public service operation". Its discussing about local wisdom as shown in *second* topic, local wisdom as a genuine idea for integrity strengthening (Course 2). Further more, to accompanying this topic, *third* topic offers more attractive discussion, developing togetherness value. It means, togetherness among societies members and between societies and the state (Course 3). The climax of this article is reached by the *forth* topic, when we discuss about social capital and public trust. This guides students to an understanding of the social capital needed in the public service, is good and integrity, which includes also the discussion of public trust. Until Course 4, students have reached an understanding of the theoretical (and practical) and clarified the applicative on an implementation of public services based on the needs of the community involvement and engagement by way of an agreement (contract) between public service providers with

people who use the service. This will shown at fifth topic (Course 5). Application "social contract" is known as citizen charter (charter citizens) containing the engagement agreement between public service providers with the user community services. In other words, a promise of service to citizens. Public services are held based on citizen's charter, at early stage are considered the most effective reform of the bureaucracy, but the continued implementation, it shown a stagnant condition and powerless to perform engagement to create good public service and integrity. Discussion is contained in the Course 5, citizen charter as innovation in public service operation, which is the last discussion of this article.

## **2. Purpose of The Course and Methods of Delivering**

This course is designed to the learner to easily understand concept of social capital in public services operation with integrity principles (cognitive purpose). For affective purpose, this course offers an attractive way to drive the learners attain strong willingness to develop integrity attitude in their environment and circumstances. And for conative purpose, it drives the learners to have and take action in integrity manner when they are in a unintegrity circumstances. To attain this purpose, the course will be held in specific methods besides common methods like lecturing, discussing, role model, problem based learning and discovery learning. Within this course I present specific approach of methods to develop one's attitude to support integrity manner. I named this approach, *Heart and Mind Intelligence*. It supports one's manner in an individual level. Someone need some kind of individual changing in radical approach to support and strenghten their potential willingness to integrity attitude. So that the course would be better and take more positive effects when they operate at individual level. *Heart and Mind Intelligence* will be operate in a higher consciousness of human at individual with a little exercise embedded in a course. For a purpose of personal changing, I have tried this method for about two years in my training activities as I wrote on my blog, [www.miracleways.com](http://www.miracleways.com), and it worked. In this case, I adopt this method to support and live

integrity values on an individual basic to help the learners develop their own potentials of integrity easily, effective and sustainable. The common methods can be held when facilitating the learners by describing concept and principles of social capital in public service. Then, we ask some questions to the learners and discuss them, such as how do you explain in a simple way and give simple example, what is the meaning of social capital, and how social capital works in area of public service operations. The second question such as, how do you feel when you know public servant ask some extra money when they deliver public services. Extra money commonly known as "extra money for cigarette", "extra money for releasing pain", and other expression of asking money when delivering public services. And, what do you want to do when you know someone else or many people do un integrity manners. We let the learners give answers regarding to their own experiences. Next step is writing down the answers of the learners on a sheet or paper and put it to center-of-eye place for all the learners. Then, we ask all the learners classify the answers into five categories: *relations between state and community, local wisdom, togetherness, social capital and public trust, and innovation in public service operations*. This classification related to five learning activities as described above. Last step is making conclusion on these experiences.

Specific method is radical approach to support the learners to make integrity values more life on their own mind and heart. This operates on individual basic but it can be done together along with other learners in a course activities. This method can be done by facilitators after having special course on *Heart and Mind Intelligence*. Finally, I present this method from the fact that many people come to their original manner after taking more course on personality development. They have no willingness to maintain what they have obtained from such course. So, its a worthless efforts. And then, when we discuss about integrity in action, we need more certainty (for not to say warranty) to make sure the learners will maintain integrity values on their own manners. This will be attain within attractive methods and radical approach, through "mind and

heart management” to their real attitude in their living experience.

### **3. Relationship Between State and Societies (Course 1)**

Course 1 is designed to build good understandings on relationship between the state and the society in a context of delivering public services with integrity (cognitive purpose). Public service is made up of political activity that comes from the state and government. In the basic theory of the formation of the state declared that the country is formed by an agreement between a group of individuals who have social relationships, to create a political order that can adjust and accommodate the interests of their lives, with a covenant or social contract (social contract) as Rousseau stated (Thomson, 1986:141). Classical Social Contract Theory introduced by JJ.Rousseau is very interesting to clarify the relation of state and the people in achieving good governance and the provision of good public service and pay attention to the values of integrity for all those who give the government a mandate (from the people). Assuming that the social contract or agreement is in balance, it is then born forms of good public services and operates in the interest of the people and social integrity is met. Later, along with the revolving time, when there is a diversion or deflection interests that conflict with “common mission” or contrary to the interests of “the apostles”, it is necessary to measure the alignment to return to the “principle of solidarity” that was built originally.

**Conclusion.** Relation of state and the people brought the government, who then worked for administration and public services. So, good public services will come from good governance, and good governance arises when there is a strong social control by societies.

### **4. Local Wisdom: Genuine Integrity Values from Indonesia (Course 2)**

Course 2 gives understanding to the learners on local wisdom and local culture that containing positive values and supported

to integrity building. When Course 1 consists of social relations between individuals in the community and between the community members with the state to determine the relation of state and the people, Course 2 is consisting the material focused on the content and process of social relationships, both among members of the community and between the community members with the state, in the local context. In politics and government, local cultural studies fram social relations with local public service providers also help influence the relationship with the government as a provider of public services. For example, East Java people who tend egalitarian, pluralistic and open, will bring a different style in relation to the administration when compared to people who tend to be patriarchal like Yogyakarta. People in East Java will react with a mild protest against his government services if they feel aggrieved and do spontaneously even though in the norms of those outside East Java will feel rough. But behind the "roughness" of those people that was born from the implementation of local cultural values, ought to be explored further, whether this is congruent with the building integrity in the public service or otherwise.

Course 2 discusses and explores the wisdom and values of the local culture that supports and aligns or congruents with the values and spirit of integrity or otherwise, becomes destructive to the values of integrity in the public service aspect. The above example of an egalitarian society in East Java and open, in everyday life is a tradition of openness that social communities have established themselves a strong character of East Java community at large. Realization of openness in public life is expressed in everyday social relationships and communication takes place without the symbol and uncomplicated. Zuhro findings on the uniqueness of the local cultural traits eastern part of East Java, Surabaya and Malang rebellious, while Surabaya and Malang to the west shows a rather closed character of community. East Javanese local culture (especially Surabaya and Malang to the east), which tends to open will take effect in relation to the government as a provider of public services. Open communication and uncomplicated mind will be

different from the customs of the people are covered. Relationships and communication between citizens and public service providers (government) to the local culture that tends to open and egalitarian society will be different from the local culture of a closed and full of flavor shy and cultural barriers. Examples of local wisdom and culture, is the concept of “villages” in West Sumatra. Although now *nagari* has undergone several shifts which is driven by doctrine during the New Order era, but still substantially. *Nagari*, is a local institution for the people of West Sumatra (Minangkabau) which traditionally serves as a traditional institution. Structure villages are led by a *datuak* chosen by the community. As customary institutions, *nagari* is a vehicle assembled and consulted to solve problems in indigenous communities and religions. In the villages is preserved the rights of citizens to speak in a deliberative, egalitarian, no distinction between social strata and respect freedom of speech. It appears that the values and culture of the local Minangkabau society characterized by deliberation and the opinions that Minang people used to argue and debate. Mechanism of deliberation and against this argument is that social capital in a context of local democracy. The question is, the value of the local culture when verified with the situation when the people associated with the government (public service provider), will show the values of integrity or otherwise. Here it should be enriching and deepening the contextual and dynamic, which can be extracted in the process of student learning.

**Conclusion.** Wisdom and the local culture is a way of thinking for the public in a particular cultural arena, both within the group and between groups and in conjunction with the government. Moral values and local cultures are dynamic, not status, and changes and developments of all time. It needs to identify continuous to detect the value of local wisdom and culture in the context of politics and government.

## 5. Togetherness Values (Course 3)

Course 3 gives learners understanding on togetherness

values as important elements in development efforts and maintain public service with integrity. Feelings of togetherness, in the social perspective, comes from feeling in the group with a group. When culturally it shows a sentiment of togetherness with the symbols of *I, we (us)* in the direct language. Its expression is also having the meaning of togetherness in the community. Expression of the *I-ness us-ness* appearing in understanding group (including ethnicity) itself as well as other groups, including other ethnicities. In its development, the dichotomy of *us - they* also came up in the discussion between groups (and ethnic) this. There is a 'mechanism of boundary' -Fedyani's term- which operates on the "limits of our culture (self) - they (others)" (Fedyani, 2007). Cultural line shows the limit of the imaginary. He suggests, this limit causes the (ethnic) remained more or less to be distinctive. Course 3 invites the learners to identify and explore the local cultural values that reflect the *we or us-ness* or not, while practicing mental attitudes and behaviors for attention and importance of togetherness. Shared values in society is also one of social capital, which is positive for the realization of good public services and integrity (see Course 4: Social Capital and Public Trust).

**Conclusion.** It needs practicing in mental attitude together with using the game of togetherness and commitment to use whatever means are available, to maintain togetherness values.

## 6. Social Capital and Public Trust (Course 4)

Course 4 gives the learners understanding central meanings of social capital and public trust in public service with integrity. Social capital is defined as social practices that refer to connectivity between individuals, social networks, norms interrelationships and interrelatedness of trust that is built between individuals, so intertwined mutually beneficial cooperation to achieve common goals. Social capital is also understood as the knowledge and understanding that is shared by the community, and the pattern of relationships that allow a group of individuals to do one productive



activity. This is in line with what is suggested by the World Bank (2006), which interprets social capital as a social practices that involves aspects of social networks to mediate opportunities and development outcomes.

Social capital, in relation to public service, is referred to efforts fertilizing relationships and social interaction between citizens and between citizens and public service officials. In this case, the fabric and the social networks among people required to give control of the public service held by the government. Social organization, according to Robert Putnam (2000:3), is the appearance of social capital that facilitates the community to work towards a common goal. Social capital is the social glue that helps people, organisations and communities to work together towards shared goals. It comes from everyday contact between people, as a result of their forming social connections and networks based on trust, shared values, and reciprocity (or 'give and take'). Social glue is born of social interaction and emotional bonds that bring people together to achieve a common goal (shared goals), which then fosters growing confidence of the relation. Thus, mutual trust, adherence to social norms and social networks that can improve the efficiency of the performance of the public, is an important element of social capital that exists in a variety of community organizations. This condition occur in social interaction that takes place in a long time. Social cooperation network is increasingly works if there is a public space that guarantees the social interaction and dialogue among citizens and between citizens and public service officials, to formulate jointly expected public services citizens.

In the context of good public service and integrity, public service should be a dialogue or consultation to the public (community) through a partnership with the social community. And residents were greeted by lines of communication-balanced action. Elements of social capital are what parried with what Jurgen Habermas called the "public-sphere" (the public) and "Deliberative public policy" (public policy consultation to the public) in the framework of "communicative action" (Bolton, 2005:8). Social capital, in which



there is social cohesion, mutual trust between individuals, then in the context of public service, interrelationship of trust will grow fast in the public domain, involving the community at large, including among members of the community with local public service providers (collectively confidence).

Act of collective belief in this context means a collective capital supporting social and governance systems. From this concept, social capital enables people (citizens) together to meet livelihoods (sources of livelihoods) better with the size of the social harmony that is free from conflict, with a high level of cooperation and democratic. This is from the perspective of the community, which serves to control the operation of good public service and benefit to the community. As for the government (public service providers), social capital can help to develop solidarity and mobilization of community resources, for the achievement of common goals (shared-goals) and shape the behavior of togetherness.

Commitment of each individual to be open, trust, a sense of togetherness, solidarity and responsibility at the same time will progress together, will lead to public trust (public trust) to the organizers of public services (government), based on mutual interest, solidarity, resilience and sustainability. Togetherness, solidarity, tolerance, spirit of collaboration, the ability to empathize, is the social capital inherent in the society in terms of public service. For society and government, together can ease the burden, to share thoughts, so as to ensure further strengthening of social capital, networks of social cooperation, enhance endurance, fighting spirit, and quality of life of a society (see Course 3: Togetherness). Without social capital, society is very easy to be intervened by outsiders. James Coleman (Landry, 2000:7-8), stated that social capital is a factor inherent in the structure of relationships among individuals. The structure of social relations form a network that creates a wide range of social qualities such as mutual trust, openness, unity norm, and defines the various types of sanctions for its members.

The structure of relationships and social networks necessitates inclusion of latent variables and scales for analysis of social capital,

namely: the role of government and networks of social cooperation. Large community in the social networking firm will only be formed when confidence (trust) have been embedded and operational functioning and appropriate general agreement (confirmed and “escorted” by the general norms) among members of the communities concerned. With this understanding, it is clear that the confidence (trust) is a resource that has the ability to substitute and complementary resources, or capital. Together with other types of capital, trust (social capital) helpsto shape and define the character of a social system. In the context of confidence (trust), which is an important element of social capital in the community for a healthy democracy, will encourage the establishment of cooperation in relation to individuals in the community. Social capital is also supposed to reduce the transaction costs incurred in a social interaction.

**Conclusion.** Social capital is the capital of which is owned by the public nature of social relationships, born of the system of values, norms, beliefs and mutual trust, social networking, friendship, kinship, togetherness and growing some local wisdom. Confidence (trust), is one of the social capital, can operate on individual and institutional arenas and public spaces to engage the public (public trust). Confidence (trust) is one of the important social capital, and public confidence (public trust) is needed in the public service to be more good and integrity.

## 7. Citizen Charter as Innovative Public Service (Course 5)

Course 5 gives the learners understanding the innovation in public service operation which is positioning citizen as the central of the service. Community involvement in the implementation of government programs, shows interconnection between public services with citizens, measures the contribution of the community in governance and to explore the potential conflicts that accompany government policy. The government can initiate several innovative programs to broaden public participation in the context

of community-based public services. Policy and public service requires citizens to cooperate, with the public announcement (official statement). To maintain and secure the cooperation, public officials must simultaneously undertake public consultation and mobilize ideas to spur productivity and closer communication and understanding in order to maintain responsibility and accountability. In some urban areas in developing countries and also in developed countries, public decisions are often distorted by political interests which becomes patron of the decision. Politicians make decisions to investing in an infrastructure or an instance, and select a contractor or employee for a project, they tend to choose those who can secure its political interests rather than to secure the project itself.

The concept of New Public Service (NPS) as introduced by Janet V. Denhardt and Robert B. Denhardt leads to a new paradigm of public service, the public service and attention focus on the interests of the people (citizens), not limited to the customer or service user (customer or client) as adopted by the previous concept (NPM and OPA). Then, as the concept of New Public Service (NPS) that the public bureaucracy should be solely responsible to the citizens (citizen), then the government acts as negotiator between the interests of society and community. Any created services must be non-discriminatory. The concept of New Public Service necessitates the provision of services more responsive to service users. One model of public service in line with this paradigm is the concept of citizen charters. Citizen's Charter (practically known as "Contract of Services"), is a joint agreement between the community and public service providers to find the best way to improve public services in line with expectations and standards required by the community and beneficial to both parties (the public and service providers).

Citizen Charter is a form of public service that the service user's position as a service center. Needs and interests of service users should be the primary consideration in the whole process of public services. In contrast to the previous practice of public service, which puts the interests of the government and service providers as the main reference of the service delivery practices, Citizen's Charter

puts the interests of service users as the most important element. To achieve this purpose, Citizen's Charter encourages providers to together with service users and interested parties (stakeholders) to agree other types of procedures, time, cost, and how to care. Collective agreements should consider the balance between the rights and obligations of service providers, service users and stakeholders. This agreement will be the basis for the practice of public service.

**Conclusion.** Citizen Charter until now is considered the most ideal models for organizing public services because it puts citizens as a center of active role equal to the service provider, to undertake the engagement agreement or contract of service together with the community. In this way, people can exercise control over the public services and ensure that the public services run by an agreement with the community. No public services without people's wants. It is an operation of public service with integrity.

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# Enhancing The Role of University In Building Integrity In Public Service Through Community Services and Service Learning Programs

Marcella Elwina Simandjuntak

Yuni Kusniati

## Abstract

*According to annual report of Corruption Perception Index (CPI) issued by Transparency International, Indonesia is positioned as one of the most corrupted countries in the world. Although in some recent years the position of Indonesia is getting improved, it is undeniable that people still feel the adverse effects of corruption and corruptive behavior conducted by the employees working in public service institutions. One of the most common issues that people often complain about dealing with poor public services quality and bribery, they have to pay in order to be able to access any services. Building integrity could be one of the pre-conditions of realizing good public services in accordance to the principles of good governance.*

*As part of civil society, a university should not just keep silent to see such a situation. A university is obliged to participate in realizing good governance, particularly in promoting the public service quality in various fields. One of the paths that could be taken is to design some programs on public service integrity enhancement involving all the elements of the university, both the lecturers and the students.*

*This paper discusses the ideas and experiences possessed by Soegijapranata Catholic University in its participation efforts in the improvement and/or enhancement of public service quality and integrity through community service and service learning programs in several rural areas in Central Java. By sharing such ideas and experiences, hopefully this program will not only be studied but it will be creatively developed by other universities, both in Indonesia and in ASEAN countries.*

**Keywords:** *Integrity, public service, community services and service learning program*

## 1. Introduction

Corruption is one of the crucial problems faced by the nations all over the world. In Indonesia, corruption has reached the concerning level. Massive and systemic corruption have infected, rooted and spread out to all aspects of people's life. The corruption makes our wealthy country having so many poor people. The corruption makes many young people cannot get education. The corruption makes health care and other public services very expensive. Corruption damages the environment in which we live. The corruption has made people do not trust each other. Given the very large effects caused by the corruption, as academic community, both lecturers and students have to do something. We cannot allow our prosperous and beautiful country destroyed and broken into pieces by some greedy irresponsible people (Simandjuntak, 2012, 24).

Because of its massive and systemic corruption, Indonesia is always positioned as one of the most corrupted countries in the world according to annual report of Corruption Perception Index (CPI) issued by Transparency International. Although in some recent years the position of Indonesia is getting improved, it is undeniable that people are still feeling the adverse effects of the corruption and corruptive behavior conducted by the employees working in public service institutions. One of the most common issues that people often complain about dealing with poor qualified public services and bribery they have to pay extra in order to be able to access any services. Building and enhancing integrity could be one of the pre-conditions of realizing good public services in accordance to the principles of good governance.

This paper discusses the ideas and experiences possessed by Soegijapranata Catholic University in its participation efforts of the improvement and/or enhancement of public service quality and integrity through community service and service learning programs in several rural areas in Central Java. By sharing such ideas and experiences, hopefully this program will not only be studied but it will be creatively developed by other universities, both in Indonesia and in ASEAN countries.

However, before further discussing the role of universities in building the integrity of the public service through community service and service learning programs, we will first put forward some important concepts that can lead us to discuss more about the fight against corruption.

## **2. The Role Of Civil Society In Combating Corruption And Building Integrity**

Eradicating corruption is not easy. It needs different strategies, methods, and approaches. A statement from Huberts and Fijnaut below could be our starting point in discussing the strategy or efforts to combat corruption (Fijnaut and Huberts, 2002):

*It is always necessary to relate anti-corruption strategies to characteristics of the actors involved (and the environment they operate in). There is no single concept and program of good governance for all countries and organizations, there is no 'one right way'. There are many initiatives and most are tailored to specific contexts. Societies and organizations will have to seek their own solutions.*

From this statement, it is understood that there is no answer, concept or a single program to eradicate corruption in any country or organization. There are so many strategies, ways or efforts to eradicate corruption by which all must be adapted to the context, the characteristics of the target communities and organizations. Thus, as a country, we need to adjust ourselves to eradicate corruption by looking at the characteristics of the community and the real conditions that occur in our country. These conditions include the socio-political, socio-economic, socio-philosophical and socio-cultural, which in general is different from other countries.

According to Jeremy Pope, for the success of anti-corruption strategy, it is important to involve civil society. Any efforts to develop anti-corruption strategies without the involvement of civil society will be in vain because generally the state with the low civil society role, the level of corruption is high (Pope: 2003, Simandjuntak, 2011, p. 105). Pope describes civil society as one of the pillars of the



National Integrity System to be juxtaposed and balanced with the other pillars. These pillars are the clear rules governing executive authority, including conflict of interest rules, fair election for legislature/parliament, power to question senior official for public accounts committee, public report for auditor general, ethics or code of conduct for public services, independent judiciary, access to information and freedom of speech for media and civil society, records management by Ombudsman, enforceable and enforced law for anti-corruption/watchdog agencies, competition policy including public procurement rules for private sector and effective mutual legal/judicial assistance within international community (Pope, 2000, p. 37).

Before discussing the involvement of civil society and finally into the discussion about the involvement of universities, it is necessary to set out in advance the definition of civil society so that there is a common perception.

Pope defined civil society as organizations and networks which lie outside the formal state apparatus that are traditionally labeled as "interest groups" such as NGOs, labor unions, professional associations, chambers of commerce, religions, student groups, cultural societies, sports clubs and informal community groups (Pope, 2000, p. 130). Civil society, according to Pope, gains its legitimacy from promoting the public interest, hence, its concerns with human rights, the environment, health, education, and, of course, corruption. Its motivation is a special interest, not personal profit. It is characterized by a strong element of voluntary participation: thus people participate because they believe in what they are doing, and not simply for spending another day in the office (Pope, 2000, p. 132)

From the definition, it can be seen that there are different types of civil society. One of them I would say is university as an educational institution. University has a strategic role to fight against the corruption. Why? University is an institution which produces the nation's leaders in the future. Students even, in the history, are recorded as the motor and the agent of change in a country. The

elements of university, such as students and lecturers are easier to approach people than any other type of civil society because they are the parts of the community. University, despite having its own vision and mission, naturally is not a profit-oriented organization.

In addition, universities (particularly private universities) generally do not have a particular interest but implementing 'Tri Dharma Perguruan Tinggi' to provide education, research and public service. Although there is no doubt that we can find a variety of 'surrogate' ideology and 'custodian' of the research results of certain group in educational institution, particularly universities, it can be said that university is more interest 'sterile' compared with the different types of civil society. It is not co-opted so deep into economic issues, political issues and ideological issues in a community or country.

The other important things to consider with respect to combating corruption and increasing public integrity and public officials are strategies and approaches. In the resolution 54/128 of 17 December 1999, under the title "Action against Corruption", the General Assembly of the United Nations affirmed the need for the development of a global strategy against corruption. The fight against corruption should be done with multi-disciplinary approaches to emphasize the aspect and the bad impact of corruption in various levels. The corruption eradication should be done by issuing the corruption prevention policy both nationally and internationally, to develop a way or prevention practices and provides examples of effective corruption prevention in various countries. Numerous recommendations for governments, law enforcement officials, parliament (DPR), the private sector and civil society should be developed.

Since 1997, the World Bank Institute developed the Anti-Corruption Core Programme that aims to inculcate awareness about corruption and the involvement of civil society to combat corruption, including providing the facilities for developing countries to develop a national action plan to combat corruption. The programs developed by the World Bank are based on the premise that in order

to combat corruption effectively, it is necessary to build a shared responsibility among institutions in society. These institutions should be involved, such as the government, parliament, judiciary, public service institutions (including universities), watchdog institution like public-auditor and the corruption eradication commission, civil society (including universities), media and international institutions (Haarhuis : 2005).

By the World Bank, the approach to implement the anti-corruption program is divided into 2 (two); i.e. the top-down approach and the bottom-up approach (Haarhuis: 2005). Top-down approach is performed by carrying out reforms in all areas of legal, political, economic and government administration. According to Haarhuis, Corruption is a symptom of a weak state and weak institution (Haarhuis: 2005), so that it should be treated by conducting reforms in all fields. Bottom-up approach starts from some assumptions such as a) more widespread understanding or views (society and public officials) about the existing issue, it is easier to raise awareness to combat corruption; b) network or a strong network between the government and civil society will make corruption easier to handle; c) training, counselling, education given to both the society and public officials to help accelerate the eradication of corruption. The materials for the training, counselling, and education chosen must be adjusted to the conditions of each country and society.

Various efforts selected or constructed independently by the state, agency or civil society are expected to have a trickle-down effect, in the sense that people know the importance of eradicating corruption. Anti-Corruption Education (or Integrity Education) is one of the strategies or the bottom-up approach that can be developed to enhance public awareness for the dangers of corruption. However, the anti-corruption education is not only performed by teaching this course to students, but can be done by organizing community service and service learning programs. It is the one we will further share in this paper.

### 3. Thematic Service Learning Program

In mid-2012, funded by TIRI Integrity Action, USAid and Partnership, Soegijapranata Catholic University (SCU) got a chance to hold the 'Field Work (KKN)' or a service learning program in several villages in Sumber Subdistrict, Magelang District, Central Java Province. The village as the location of service learning program is located at Mount Merapi, which was struck by an eruption natural disaster.

Generally, the service learning program organized by SCU is more general, without any particular theme in consideration it is followed by students from various disciplines. On that occasion, 20 students from different disciplines were deployed to join thematic service learning program under the title of Integrity of Public Service and Business Ethics Development.

For those who teach at universities in Indonesia, this program might not sound unfamiliar. Some universities actually require students to attend service learning programs. However, as in SCU, general the service learning programs do not have a specific theme as it has been conducted in the mid-2012. But for those who are not from Indonesia, this may be a new thing.

Before going any further, we will first describe what is defined by 'Field Work (KKN)' or a service learning program. In Universities in Indonesia, service learning program is one part of the implementation of the 'Tri Dharma Perguruan Tinggi' (three university services) which includes *dharma* (the service) of teaching, research and community service. These tri *dharmas* is obtained and performed by students through courses, conducted research for their thesis or final assignment, carried out a program known as the service learning program or field work (or KKN) (Hardiyarso, 2012, p. 6).

Hardiyarso stated that KKN is an activity carried out by placing students of certain grade from various disciplines of knowledge in certain areas (it can include a number of villages or parts of cities) for a certain time. When they will perform KKN, students are initially equipped with various skill (in addition to expertise in the field of

science that they have been learned in university), so that they can help solve the problems faced by the community under the coordination of Field Supervisor. Thus, according to Hardiyarso, KKN can be a mean of community's non-formal education which is 'efficient and effective'. Based on the definition, then KKN is an integrated activity between education and community service, even KKN is the integration of *tri dharma perguruan tinggi* namely education, research and community service. The implementation of KKN is inseparable from the goals and mission of education because KKN is an integral part of the educational curriculum for Bachelor Degree (S1). Through service learning, students are introduced directly to the problems of society and how the intersectoral and/or interdisciplinary working process. KKN begins by inviting students to examine, investigate, formulate the problem, analyze and ultimately provide solutions to the problems faced by society (Hardiyarso, 2012, p. 7-8).

One of the characteristics of KKN program is in the 'target community' as partners. The partnership of KKN programs is conducted between SCU with the local governments, districts and villages. In this case, the service activities are aimed at the community group in general. Students' activities in KKN program are implemented based on monitoring/observation results of the students on the need of assistance found from the communication between the student and the community. However, sometimes the need is also based on the input/suggestions from the government officials (Hardiyarso, 2012, p. 6). In addition, according to the writers, KKN can also be carried out with the specific aim initiated by University, as performed by SCU with the theme of KKN Program; "Public Service Integrity and Business Ethics Development".

With this particular theme, then one of the issues that should be the focus of KKN is the issue of improving the quality and the provision of public services in accordance with the general principles of good governance and corporate. Improving the quality of public services is aimed at the protection of every citizen from the abuse of power in order to realize the responsibility of the state and the

clean, transparent and accountable civil servants.

Due to lack of KKN time, before leaving for the location of KKN, students are given the understanding that one of the thematic KKN goals is to improve the public service. They can do this by, for example, providing a variety of information such as oral, written and images presented manually or electronically in some public services intended. In addition to the availability of information, another target to concern is developing good public service standards. This standard is the benchmark used to guide public service to achieve quality, fast, easy, affordable, and scalable public services (Hardiyarso, 2012, p. 12). In addition to assisting the public service, one of the important things that can be built through KKN activities is to build business ethics in the community. This is done by giving knowledge to the community about the types of companies and businesses that can be developed, entrepreneurship training and counselling on business ethics. Thus, through this Thematic KKN, SCU students can participate and bring in the theories they have acquired while they are in the university.

There are several steps to be followed when implementing KKN. These stages were carried out when SCU students left for KKN in 2012. The stages can be distinguished into:

### **1) Preparation stage**

In the preparation stage there are a few things to prepare consisting of:

- a. The stage of the survey by the institution and the arrangements for permits.

Firstly, the Institute of Research and Community Service (LPPM) conducts a survey to determine the location of KKN. After that, LPPM arranges for the permit to the sub-district and to the district. This is essential, because in reality, when administering permit and location, it was found that the local officials were not willing to accept KKN students because the target of KKN is the improvement of public services 'integrity'.

- b. The stage of surveys and observations by the student.

After knowing the village of KKN location, students are asked to survey and observe the problem faced by or in the village. The observation by the students is intended to allow students to recognize and locate the problem and the fact that will be faced in the workplace in detail and complete. To facilitate the implementation of observation and to standardize the form of data collected by the student, a list of questions and a list of issues are compiled so that the observation and data collection can be easier and faster. After observation, the students make a program divided into the Main Program and the Supporting Program that must be approved by the Field Supervisor. The success of the program developed by the students will be assessed at the final stage of KKN. The main KKN program is the program aimed at resolving the question of public service integrity, while supporting programs are the programs that support major programs and can contribute to the development of society and for the development of the sub village/ village officials.

- c. Debriefing stage. Students who will perform KKN are required to attend the entire debriefing lecture and exam. Students who do not participate in all of the debriefing stage covering 75% of the meeting and do not pass the debriefing test are not allowed to join KKN.

In the debriefing stage, students are given briefing materials that have been prepared ahead of time by designated lecturers. The debriefing materials given are compiled in the Thematic KKN module that has been prepared in advance by the lecturer and the institution. The debriefing materials given are adjusted with the theme of KKN, i.e. Public Integrity and Business Ethics Development. These materials are provided by using several methods of teaching such as with films, discussions and so on. The complete debriefing materials provided are as follows:

- a) Living Together with Village Community
- b) KKN is a Learning Activity

- c) Mainstreaming Integrity Values in Public Service Sector
- d) Community Rights and Responsibilities for Good Public Services
- e) Taxpayer's Rights and Obligations
- f) The Legal Aspects of Population Documents
- g) Building Public Integrity through E-Service
- h) Alternative Dispute Resolution
- i) The Establishment of Businesses
- j) Doing Business with Ethics

## **2) Implementation stage**

Implementation stage is the stage in which the students live in the village for 1 (one) month. At this stage, all the programs that have been compiled by the students are performed. The KKN programs implemented include:

- a. campaigning and counseling about public service integrity and the development of business ethics for village officials and the community;
- b. train village officials and repair the existing electronic information systems in the village;
- c. training village officials and the community to carry out simple accounting;
- d. making teaching aids in the form of images, flowchart and the costs when the community will arrange for the letters/ documents at public service institutions;
- e. Assisting the management of population documents such as ID cards, birth certificates, etc;
- f. providing information on establishing a business and running a business with ethics etc.

## **3) Completion stage**

Completion stage is the stage in which the students give the report on the working program implemented during the KKN. The report includes the details of the problems encountered in the village, contributing factors, and the solutions offered by the



students. The report must also describe the programs which are not realized and why the programs cannot be realized. The report will become a study material which will be followed up by the Institute for Research and Community Service of Soegijapranata Catholic University to continue in the next KKN. From the debriefing test results, students get the mark from the implementation and reporting of KKN.

At the time of the evaluation by the Institute, there are some disadvantages encountered during the implementation of this Thematic KKN. The measurement of the success of KKN program is difficult because:

- 1) It is difficult to measure the success of the program which is only conducted in the period of 1 (one) month;
- 2) It is hard to measure the changes in the behavior of 'integrity' to officials/civil servants and the community with a quantitative measure in such minimum time. The success measurement is ultimately done only based on the realization and assessment to the programs conducted qualitatively.
- 3) When the next KKN will be dispatched, the sub-district refused to put students in the same village, with the reason for even distribution of KKN location to other villages and the reason that the village is already bored because of constantly visited by the KKN students.

Despite of the disadvantages, from interviewing the students, they felt that the goal of the KKN is clear. They are satisfied as they could minimally do and leave some important message, both to the community and to the local authorities.

Here are some pictures of student activities doing service learning program 2012 in 3 (three) villages in Magelang Central Java (LPPM SCU, 2012):



Poster and/or Backdrop and/or Standing Banner made by SCU Students in Integrity Service Learning Program 2012

Poster 1 : Family Document Card Making Procedures



Poster 2 : ID Card Making Procedures



Poster 3 : Police Record Making Procedures  
(for those who have no criminal records)



Poster 4 : Application for Health Insurance Service Procedures For the Poor



#### 4. Thematic Community Service

KKN or service learning programs presented before is implemented by the students, while the thematic of 'anti-corruption and integrity education' community services are performed by several faculties/lecturers/professors from SCU.

Since 2005, some professors from SCU have been attempting to develop the making of Anti-Corruption education curriculum for Secondary School and Elementary School.

The program was started by proposing a tailor-made training to Nuffic, the Netherlands with the theme of 'The Role of Civil Society in Combating Corruption in Indonesia'. After more than a year, with a few revisions, the proposal was finally accepted to be funded by Nuffic. A total of 16 SCU lecturers and 2 staffs of the Corruption Eradication Commission (KPK) and 2 Junior High School Principals from Semarang took part in training for one (1) full month at the Institute of Social Studies, The Hague, Netherlands.

Upon their return from the Netherlands, 2 staffs or trainers of the Institute of Social Studies came to Indonesia to assist and

facilitate the creation of Anti-Corruption Education curriculum and modules for Junior High School. The making of the module was implemented firstly by establishing a team consisting of some secondary school teachers, KPK, and SCU lecturers. For about two weeks, we worked together to make the module until we launched it in the National Seminar on Anti-Corruption Education in our Campus in December 2005. When launching the module in a national seminar, our university signed a memorandum of understanding with the Corruption Eradication Commission (KPK) to cooperate in the development of Anti-Corruption education. It is noticed by the Corruption Eradication Commission (KPK) that SCU is the first university in Indonesia to sign MoU with this institution.

After it was launched with the 'joint' costs, we printed the module and approached some of the junior high schools in Semarang to apply the module in the schools. Some schools accepted and until recently they still use this module as one of the compulsory subjects as well as extra-curricular activities there. The modules that we made, I believe, is the first anti-corruption education modules taught in Indonesia.

Concerning the success story of the module making for junior high school, in 2007, KPK asked our university to create a module for elementary school. Almost similar to the module for junior high schools, the module was designed by elementary school teachers invited to help us. From the beginning, our consideration to invite teachers (both Junior High and Elementary School) is caused by our lack of understanding in the educational curriculum for Secondary and Elementary school. Thus, SCU is only to facilitate and assist the making of the modules.

In the same year, the module for Elementary school was completed and tested in several elementary schools who were our partners when we made it. The Corruption Eradication Commission (KPK) attempted to try the module out of Semarang. Until now, the module is still being used in many elementary schools, not just in Semarang, but also in Indonesia.

Here are the figures of Anti-Corruption Education Module



we've been working with our partners; the Corruption Eradication Commission (KPK) and the teachers of junior high and elementary school.

### Anti Corruption Education Module for Elementary and Secondary School



We gained a lot of valuable experiences while developing the Anti-Corruption Education curriculum and modules, including rejected and suspected by the Department of Education in Semarang and Central Java. But we did not give up. Their rejection never stopped our desire to keep on moving.

After the second module was completed, in 2011, one of us was also involved in the making of Anti-Corruption Education curriculum and module for Universities, led by the Directorate General of Higher Education, Ministry of Education and Cultural the Republic of Indonesia. This module is put in the national curriculum, and currently is used in more than 500 universities in Indonesia.

Here is the sharing we can provide with respect to community service that has been done by SCU students and lecturers in service learning and community service programs. Hopefully this sharing can encourage the other colleagues to continue the anti-corruption movement in Indonesia and in ASEAN. Since we are lecturers, one of the ways is to educate, examine, and conduct community services. In fact, performing community services can be done by sharing the expertise we have with our fellow partners from elementary school through university.

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P U B L I C  
C H A P T E R  
H E A L T H



INTEGRITY AND PUBLIC HEALTH FOR-  
MULATION AND MANAGEMENT: CHAL-  
LENGES AND STRATEGIES IN IMPROV-  
ING PUBLIC HEALTH MANAGEMENT

# Adulteration in food business and food safety concern in Indonesia

Bernadeta Soedarini

Ita Sulistyawati

## Abstract

*Adulteration referred to a bad practice in food production through illegally modified the food composition. Adulterated food is usually less nutritious, less tasty or even risky to human health. Adulteration can be categorized as fraudulence or a crime because it actually violated the consumer's rights. In Indonesia, adulteration commonly occurs within micro, small and medium food enterprises, since the tough of business competition. Lack of knowledge in food safety can also be the reason of adulteration. Considering the victims of food adulteration majority are mostly underprivileged society, especially infant and kids, therefore food adulteration should be treated as a special concern. In this paper, three types of food adulteration will be reviewed based on their health effect levels. The concerns of the adulteration are (1) the use of lower quality raw materials, (2) the use of disproportional food additives and (3) the use of prohibited substances. To get a better picture of the illegal food business through adulteration, several approaches, including the intentions behind, the detail actions also their health risks across the groups of society (infant, kids and adult) are reviewed. In dealing with food adulteration problems, a special approach that consists of three strategies: (1) public awareness, (2) control and regulation, (3) law and order should be simultaneously applied.*

**Keywords:** *adulteration, food business, food safety, public awareness.*

## 1. Introduction

Providing food for the global population in a sufficient amount is a mandate. It has become an endless concern due to the still growing global human population. The situation hence positioned food business as a resilient business that keeps alive under the global economical crisis. Considering the economical structure of any society normally is like a layer cake, therefore food industries respond to it through stratification of their products. Often, the stratification referred to the brand images only (packaging material and design) while the quality of the products keeps the same. Leading (respectable) companies used to apply this business strategy in order to deal with social stratum and to fulfill their social responsibility. However in developing countries such as Indonesia, the demand of economy class food products is often much higher than the available supply of the respectable companies. This situation indeed has created opportunity to the micro, small and medium enterprises (MSME) to grow up and fulfill the demand of the low-income (underprivileged) group of society.

The unceasingly growing number of food enterprises in Indonesia, can be seen positively as it not only provides jobs but also helps with food security. Considering the micro, small and medium (MSM) food enterprises are still profit oriented, the higher the population of the food enterprises, the higher the competition among them will be. As long as the competition between food enterprises is fair, nothing to be worried. Unfortunately the competition in food business is often really tough, that eventually encouraged the business player to find tricky ideas or illegal practices, such as adulteration.

## 2. Literature Review

Adulteration is a term of bad practices in food production through illegal modification of the food composition without mentioning it to the consumers (Santosa, 2009). Food adulteration can appear in diverged actions, from very simple tricks to

complicated modes. Food adulteration is often dragged by tough competition of business, especially the price war. It is obvious that from the consumer's point of view, low price is preferable. On the other hand, profit is the main target of business. To get the best combination between low price and high profit, business players will have to find a solution. Reducing the production costs is one of the solutions. With regard to the production process and reducing the production costs, finding the cheapest raw materials is one of the strategies. Unfortunately, cheap raw materials usually also means low quality. In term of food, low quality can be vied from nutrient composition, physical and sensory appearance and food safety aspects (hazardous chemicals and microbiological contaminants). To hide the poor quality of raw material, several tricks are possibly applied. Addition of colorants or whitening agents and preservatives are some of the examples.

The use of colorants, whitening agents and preservatives are actually tolerable, as long as it complies with the rules or under control of the regulation. In Indonesia, the government (i.e. the Ministry of Health) has released a regulation of hazardous substances in 1996. Through the document number *472/Menkes/Per/V/1996*, the Indonesian government regulates the use of hazardous substances. It has been proven that the listed chemical substances can give negative effects to human health and environment, directly or indirectly, through their modes (poisonous, carcinogenic, teratogenic and or mutagenic actions, corrosive, and irritation. Therefore, those chemicals are completely forbidden for food products. They are including among others borax, formalin and Rhodamin B. Besides the regulation on the prohibited chemical substances; Indonesian government (i.e. the Ministry of Trading) has also developed the National Standard for Indonesian (*SNI*) for many commodities, including food products. In term of food commodities, Indonesian government through the *SNI* regulates their quality and safety. For each food commodity, the *SNI* determines the definition; the minimum required nutrient composition and the maximum allowed contaminants (chemical and microbiological aspects). However,

often the food commodities failed to fulfill the minimum required quality due to adulteration. The improper nutrient compositions, the use of non-food grade colorants, the misused of food preservatives and even the use of prohibited substances are some examples of the modes of adulteration. Because of adulteration, the consumers rights is violated. In certain extend, adulteration therefore can be categorized as a crime (Hutt, 1960).

Below are summary of four chemical substances that are often misused in food adulteration:

- 1) **Borax:** This is categorized as a prohibited substance since it is poisonous to all cells. Via oral consumption, it causes negative effects to the central nerves system, liver and kidney. The fatal dose for people is 15-20 g/day (adult) or 3-6 g/day (infant). Several symptoms may emerge because of borax are including among others: malaise, nausea, epigastria, hemorrhaged gastroenteritis, diarrhea and headache.
- 2) **Formalin (condensed formaldehyde):** Formaldehyde acts as eradicator of enzymes, the vital proteins in human body, and as the result, the metabolism process will stop. Although formalin can be metabolized in less than 2 minute by the dehydrogenate formaldehyde and degraded into formic acid and carbondioxyde, but the excess of formaldehyde will steadily bind the cellular protein of DNA. The crossed-linked between formaldehyde and DNA may responsible for genetic disorder, genetic mutation and cancer cell (especially at the exhalation track). Formaldehyde exposure via oral is not only corrosive to the digestive tracks (hematuria) but also cause nausea, vomiting, severe pain and stomach perforation. Fatal dose of formalin through digestive track is equal to 30 ml.
- 3) **Rhodamin B:** This prohibited chemical is listed as non-food grade colorant. It gives a bright strong stable red color, as it is supposed for textile coloring agent. Rhodamin B is effectively absorbed in the digestive track and strongly binds to the protein. Exposure to Rhodamin B in a long period may cause liver dysfunction and liver cancer.
- 4) **Sodium Benzoate:** Sodium benzoate ( $\text{NaC}_7\text{H}_5\text{O}_2$ ) is a food

preservative. Compare to benzoic acid, sodium benzoate has an advantage due to its higher solubility in water. Under acidic condition, sodium benzoate showed bacteriostatic and fungi static activities through decrease the intercellular pH that resulted in 95% disturbance of the Krebs cycle.

**Table1. Minimum Inhibitory Concentration (MIC) of benzoic acid against microorganism**

Microorganisms	MIC ( $\mu\text{g ml}^{-1}$ )
Bacillus spp.	< 1,000
Escherichia coli	1,200 – 40,000
Saccharomyces cerevisiae	200 – 2,000
Candida spp.	700 – 1,500
Aspergillus spp.	200 – 40.000

Sodium benzoate is commonly applied in acidic food such as salad dressings, carbonated drinks, jams, fruit juices and condiments to extend the shelf life. In combination with ascorbic acid (vitamin C), sodium benzoate can form benzene, which is known as a carcinogen. The formation rate of the carcinogenic compound is affected by heat, light and shelf life.

The US-FDA has determined the maximum concentration of sodium benzoate applied in food is up to 0.1% by weight. The International Program on Chemical Safety found no adverse effects in humans at doses of 647–825 mg/kg of body weight per day. Acceptable Daily Intake (ADI) of benzoate is 0 – 5 mg/kg body weight per day (Samson et al., 1995).

### 3. Methodology

This critical review paper was written based on a desk study. The data was collected from several sources, including among others the Soegijapranata Catholic University undergraduate students research reports (BSc thesis of the SCU students), relevant literatures and articles published in the official websites of the Indonesian food and drug supervision agency (*Balai POM*), the Indonesian Governmental Regulation on Food Labeling (*PP 69* released in 1999), news and television reportage. The data was analyzed and categorized into



three groups of food adulterations: (1) cases on using lower quality raw materials, (2) cases on using disproportional food additives and (3) cases on using prohibited hazardous substances.

#### 4. Results and Discussion

In this paper, three categories of illegal actions related to food adulteration, which are involving the use of (1) lower quality raw materials, (2) disproportional food additives and (3) prohibited substances, are reviewed based on their level of health effects. Below the Table 2 is the summary of the three categories of food adulteration with example of cases and their illegal actions:

**Table2: Category, example of case and illegal action of food adulteration in Indonesia**

Category	Case	Illegal action
Replacement with a lower quality material	Rice, honey, coffee, beef floss	<p>Rice: considering the shape of the rice grain is mostly the same among the varieties, it is very hard to the consumer to recognize whether the grains come from one or more rice grain varieties. Certain varieties such as Cianjur, Pandan wangi and Delanggu are tasty and sensory preferable but often they are mixed with other varieties and still the price is relatively expensive.</p> <p>Honey: the viscous characteristics of honey are easily mimicked with liquid palm sugar without consumers are able to check the originality.</p> <p>Coffee: combining roasted coffee bean and mildly burned corn seed is difficult to be recognized once they are in powder.</p> <p>Beef floss: considering the textural characteristic of the product, part of the beef sometimes is replaced with lower quality of meat (horse, swine) or even with breadfruit and peanut.</p>



effect the consumer's health. However, this kind of adulteration is definitely unfair for the consumers and violated the consumer's rights. In fact, consumers are willing to pay a higher price because they expect for a qualified product (nutritious, tasty, safe or any other preference characteristics). Food business player should have social responsibility in term of providing safe foods and they should respect the consumer's rights.

The last two categories, disproportional food additives and misused prohibited chemicals, have threatened food safety in Indonesia awfully. Food additives in a high concentration mean toxic. Disproportional food additives and misused prohibited chemicals in food production therefore are definitely harmful for human body. Any faction or stakeholder (food business player, distributor of the prohibited chemicals, element of governmental institutions) involved the harmful adulterations are anti social and criminals. Further, considering the victim of the harmful adulterations is actually the Indonesian civilization and especially the underprivileged groups (the poor and newly born generations), harmful adulterations have to be taken as a special concern. The governmental regulations without law and justice will remain as paper only. Now is the time of reformation in food safety. Direct activities with the target of food business and enterprises players, with a special purpose on perfecting the existing regulations and law have to start. Universities and higher education institutions with their three exclusive duties (education, research and service) should initiate and play a strategic role in activating the networking among the food stakeholders. Business ethic counseling is important to revive the social responsibility of the micro, small and medium food enterprises. Beside business ethic counseling, focus group discussions (FGDs) on the topic of serious threat of adulterations have to be initiated and or activated. Support from the mass media in term of publication of the importance of food safety through newspaper, radio and television are definitely expected. Further, a link between the whole stakeholders of food enterprises or food business has to be maintained and reinforced. The stakeholders of

food business are:

- The player of food business / food enterprises.
- The governmental institutions that responsible on food quality management, control and inspection.
- Universities (lecturers and students from multidisciplinary academic background: food technology, economics, law, social and culture).
- NGOs that have concern about civilization, environment, food and health.

The whole stakeholders have to engage in one system in combating food adulterations. Further, there are three strategies should be simultaneously applied to dispute with the adulteration problems:

- 1) Public awareness: increasing the public awareness through educating the consumers, the food business / food enterprises players, the university students (as the future leaders) about the food safety concern across the civilization is a need. The government together with university and NGO have to work together and take the responsibility on increasing the public awareness.
- 2) Control and regulation: the existed regulations and law have to be empowered and reinforced. Strict control, clean management and regular inspection have to be mainstreamed and strengthened.
- 3) Law and justice: punishment and fine have to be strictly applied to the actors involved in food adulterations.

## 5. Conclusion

- 1) Food adulteration can be categorized into three illegal actions: replacement with lower quality material, disproportional food additive and misuse of prohibited chemicals.
- 2) Multidisciplinary approached and involvement of all stakeholders (government bodies as the policy makers, industry or business associations, non-governmental organizations, community groups and schools, including higher education institutions) on reviving

- social responsibility, the importance of food safety and combating food adulteration should be applied. 3) Universities and higher educations with their three virtue duties (i.e. education, research and community service) should initiate and play a strategic role in activating the networking among stakeholders.
- 4) Combating food adulteration should be reinforced as an integrative action consist of three strategies: (1) public awareness, (2) control and regulation, (3) law and justice. Those strategies should be simultaneously applied.

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# Barrier of Health Providers to Their Adherences in Applying the National TB Diagnostic Algorithm

Kurnia Dwi Artanti

## Abstract

**Background:** Tuberculosis Control Program in Indonesia had adopted the DOTS strategy with coverage achievement of 96 % in 2009. The Case Detection Rate (CDR) of Daerah Istimewa (Special Province) Yogyakarta or DI Yogyakarta in first trimester 2009 was 13 % (Report of Ministry of Health Indonesia). It was lower than target of 17.5% ( WHO, 2010). Previous study found that 30% (n=218) of 724 patients from the beginning to be diagnosed as positive TB patients, did not follow the national algorithm (Riris et al, 2011). Based on the framework of Cabana et al (1999), it was identified barrier related adherence health worker for guideline/ algoritme. This study aimed to analysis barrier related national TB diagnostic algorithm in DIY.

**Method:** The study used descriptive analytic approaches with cross sectional design. The respondents of this study were 132 health providers (including doctors and nurses) in 18 Health Centers (HCs) and four doctors from two Lung Clinics in Yogyakarta Municipality.

**Result :** 67.6% of respondents showed low level of knowledge (indicated as barrier adherence). Other barriers were related to attitude, include lack of self efficacy of previous practice, lack of compliance, and lack of outcome expectation. External barrier related to adherence of health worker were related to patients, guideline and environment.

**Conclusion :** This study provides examples that lack of adherence among health providers to the TB control alogarithm was related to multiple barriers. There was an immediate need to focus training of diagnostic process based on national TB diagnostic algorithm and to revise the national TB algorithm to be more practica;l and appropriate.

**Keywords:** tuberculosis (TB) control, health providers, HC, adherence, barrier, Algorithm

## 1. Introduction

Pulmonary tuberculosis (TB) was one of the major global health problems, which estimated 430 thousands new case with 67 thousands of Case Detection Rate (CDR). Above 130 per 100 thousands Indonesian became new smear positive cases (WHO, 2010). The internationally recommended TB control strategy known as DOTS was introduced by WHO. Indonesia adopted this DOTS strategy to be carried out in all districts, reaching 96% of health centers (HCs) in 2009. According to the report of Ministry of Health (MOH), 2010, the CDR of TB in *Daerah Istimewa* (Special Province) Yogyakarta (DI Yogyakarta) in the first trimester of 2009 was 13%, it was lower than target of 17.5 % (Depkes, 2010).

WHO recommended diagnostic algorithms approach to diagnose smear negative pulmonary TB in assisting health workers at peripheral level. The national guideline of diagnostic algorithms for TB control aimed to decrease the delayed of TB diagnosis (Saranchuk et al, 2007). Riris et al. (2011) evaluated diagnostic algorithms, it reported that approximately 30% (n=218) of 724 patients from the beginning to be diagnosed as positive TB patients did not follow the national algorithm. Findings from that study showed that 49% TB suspects in all lung clinics and 51% in HCs were diagnosed without following the TB standardized national algorithm. There were already several studies trying to analyze the barriers and to improve the adherence of algorithm or to implement that guideline practically (Grol et al, 2003; Grol et al, 1997). Many potential barriers were identified in different aspects of TB control program, such as at the aspects of health practitioner, aspect of patient, aspect of health care organization and management, as well as aspect of socio-cultural of the community (Foy et al, 2001; Cabana et al, 1999).

Only few studies related to the adherence of health workers to implement the guideline/ algorithm were found. Cabana et al (1999) identified seven barriers related the adherence of health providers to carry out the national TB guideline/ algoritme properly. They created framework in which health provider barriers were classified in three categories, which were: 1. Barriers related to knowledge

(lack of awareness and lack of understanding), 2. Barriers related to attitude (lack of commitment to implement the guideline, lack of self efficacy, lack of outcome expectation and weaknesses of previous practice) and 3. Barrier related to external factors (factor related patient, guideline and environment)

The study of health worker adherence related to tuberculosis diagnostic algorithm were rarely done in Indonesia. This study aimed to analysis those barriers in DI Yogyakarta.

## 2. Methods

This study used descriptive approaches with cross sectional design. The subjects were all health providers include doctors and nurses in 18 HCs and only doctors in two Lung Clinics which were involved in the national TB program in the Municipality of Yogyakarta, the capitol of DI Yogyakarta. Respondent questioners and other study tools were prepared and pretested before this study was conducted.

The study was carried out from January to March 2012. Ethical clearance to was obtained from the Ethical Committee of Faculty of Medicine, Gajah Mada University, Yogyakarta, Indonesia.

Variabel was explored consist of 1. Barriers related to knowledge, 2. Barriers related to attitude and 3. Barriers related to external factors

## 3. Results And Discussion

The characteristic of respondents in this study could be seen in Table 1. As follows:

**Table 1. Characteristic of respondents in Yogyakarta Municipality**

Sex	Respondents	
	N	%
Male	30	(22.1)
Female	106	(77.9)



Age	N	%
< 30 years	31	(22.8)
30 – 39 years	45	(33.1)
40 – 49 years	41	(30.1)
>50 years	19	(14.0)
Study	N	%
Elementary	34	(25)
Diploma degree	34	(25)
Bachelor degree	67	(49.3)
Specialist/master	1	(0.7)
Work	N	%
< 10 years	71	(52.2)
>10 years	65	(47.8)
Training	N	%
Never	47	(34.6)
Ever	89	(65.4)

Barrier related diagnostic process according national TB control diagnostic algorithm consist of :

### 3.1. Barrier related knowledge

#### 3.1.1. Knowledge

Knowledge was found as the highest percentage of barrier among the health providers related to the national TB control diagnostic algorithm. This study showed only 32.4% respondents had good knowledge while 67.6% of did not know about TB algorithm. This result was similar to other studies. Chatarina et al (2007), found that lack of knowledge could obstruct TB diagnostic process. Health provider did not know well the content of the algorithm or guideline as showed by Marjolein study in the Nedherland (2009). The reason might be confronted with too many guidelines, as each year eight to ten guidelines or updated versions were produced. To improve knowledge related algorithm, it may be useful to regularly conduct

focus group sessions among the TB health providers, because many studies appreciated those sessions and considered as an innovative medium for guiding TB education and implementation (Marjolein et al 2009, Bero et al 1998, Davis et al 1997, O'Brien et al 2001).

### **3.1.2. The awarenesses of algorithm**

Health providers generally had the awareness of TB control national program algorithm, 118 respondents (86.8%) were aware of TB diagnostic algorithm. But there were still some health providers (13.2 %) did not know that algorithm. This was similar to Cabana study (1999) reported more than 10% physicians were not aware of the algorithm.

Nevertheless, from all respondents that were aware of TB diagnostic algorithm, only 22 (16.2 %) respondents read or refreshed again this algorithm. The reason was probably too many guidelines produced in every year (Cabana, 1999).

Source of health providers understanding algorithm of TB control national program were by reading the book of TB control national guideline (61.8%), practicing in HC (18.4%), training (14%) and studying at college (1.4%).

Oxford study mentioned that health providers were not adherence the algorithm/ guideline although they had good awareness. The reasons were first, health providers did not agree to the algorithm which based only on opinion and low appropriate evidence (Mc Cormack et al, 2007). Second, some recommendation which applied universally, need additional and updated evidences and interpretation to decision maker. Third, difficult practical applicability caused by limited time of consultation, limited local resources and inadequate of logistic for implementation. Finally, too complicated, too many guideline products, time limitation of health providers to read and to memory the content of those guideline in detail (Campbell et al 2004, Carl et al, 2007). Barrier of awareness for applying those algorithm guidelines were mostly related to limited time to get information and unequal distribution of those algorithm guidelines.

### 3.1.3. Familiarity of algorithm,

One hundred twenty five respondents (91.9%) were familiar to the TB control national program algorithm. However, the application for TB diagnostic algorithm showed as follows: 38.2% always followed; 26,5 % often followed, and 27,3 % rarely followed the TB control national program algorithm.

Hence, almost all health providers knew and familiar with TB control national program algorithm. However, this was not guarantee that the algorithm always utilized and followed by them to make the diagnose their TB patients. The possible reasons were first, many diseases had similar symptoms as TB, sometime outsteps of the algorithm should ber done to diagnose tuberculosis or tuberculosis like illnesses. Second, Inappropriate presentation of algorithm/ guideline. It was described as tedious, repetitive, confusing and unclear (Cabana et al, 2000).

### 3.1.4. Training

TB control training was provided to 89 (65.4%) respondents. Five respondents were trained at the national level, 46 respondents at province level, and 35 repondent at district level and the remain respondents at the other levels. The time of trainging was 4 repondents in less than 1 year, 41 repondents within 1-5 years, and the remain 44 respondents in more than last 5 years.

The relationship of training and knowledge of health providers in TB diagnose algorithm showed that overall trained respondents with good knowledge was only 18.3%, while those untrained health providers with poor knowledge was 20.6%.

This study also found that among 65.4 % respondents participated in the recent training, only 32.4 % had good knowledge regarding tuberculosis algorithm. This was caused by the content and material of training were to wide to cover all program related tuberculosis control beginning from embracing TB suspect, how to submit high quality sputum smear examination, and treatment of tuberculosis. This unfocus training had consequence to only small portion of materials could be well absorbed by the trainees. Time

distance of last training also influencing the knowledge of health providers for example those who trained recently or in less than 1 year showed better knowledge than those who trained in more than last 5 years ago. Based on the above findings, there was an absolute need to refresh health providers with the TB control national program algorithm.

### 3.2. Barrier related attitude

#### 3.2.1. Agree to algorithm

Table 2 showed that 106 health providers (77.9%) agreed to the application of national TB control diagnostic algorithm. Among the respondents, 46.3% stated that national TB control diagnostic algorithm was low flexibility cook book, 29.4% and 16.9% respectively stated that the algorithm was difficult to be applied and unable to handle the complex realities of everyday practice.

Disagreement toward tuberculosis diagnostic algorithm was perceived by 22.1% respondents. It was similar to Marjolein's study at the Netherland (2009). She also explained that the reason of those disagreements were mostly because the health providers argued that the underlying evidences provided or felt were not clear and so why they should apply it (Marjolen et al, 2009). In addition, they perceived some recommended actions were not applicable due to heterogeneity of patient background.

**Table 2. Barrier attitude related diagnostic process according national TB control algorithm guideline**

	Yes		No		Total	
	N	%	N	%	N	%
Agree	106	77.9	30	22.1	136	100
Self – efficacy	76	55.9	60	44.1	136	100
Outcome expectation	116	83.3	20	14.7	136	100
Inertia	30	22.1	106	77.9	136	100

Other studies also demonstrated that lack of applicability was an important barrier to guideline adherence, particularly to patients with co-morbidity ( Davis, 1997; Francke A, 2008; Smith L et al, 2004).

Health providers might disagree with a specific guideline or concept of guideline in general. Although some of them commonly indicated disagreement when were asked about guidelines in general and theoretical, they were commonly agreed when were asked about specific guideline (Olesen et al, 2004). The results of studies that examine physician attitude indicated that the general guideline should be interpreted with caution when they were implemented to the specific cases ( Cabana et al, 1999).

Although the health providers mostly agreed to the application of algorithm, there were multi variations of its implementation clinically. Practical stepwises were needed to its applicability ( Beaulie U, 2005).

### **3.2.2. Self efficacy**

This study showed that self efficacy is the second biggest barrier for tuberculosis diagnostic process based on national TB control diagnostic algorithm. Total of 76 (55.9%) health providers had their self efficacies for national TB control diagnostic algorithm. 17.6% said difficult to convince patient about the successful of tuberculosis treatment and 44.9% said difficult to decrease public stigma for tuberculosis.

This study also found that lack of self efficacy regarding communication with patients during the decision-making process related to the patients suitable health care services. Health providers reported lack of confidence in their abilities to convince patients about the success rate of TB treatment. Poor confidence in their convincing power may be attributable to inadequate their knowledge, general guidelines, insufficiency of communication skills or the persistence of external barriers (Cabana et al 1999, Grol et al 2001, Cabana et al 2003, and Haagen et al 2005).

### **3.2.3. Outcome expectancy**

Health providers that commonly convinced to the success of algorithm in tuberculosis control were 116 (85.3%) respondents. They believe that diagnosis according algorithm would increase the CDR (85.3%), decrease delayed of tuberculosis diagnosis (61.8%).

But 25% respondents said following national TB control diagnostic algorithm would not decrease the delayed of tuberculosis diagnosis. Also about 21.3% respondents did not convince the application of appropriate national TB control diagnostic algorithm would meet the outcome expectation. The important reason for non adherence health providers of algorithm was their perception that in general, the national TB control program would not success as expected (Anda RF 1987).

### **3.2.4. Inertia of previous practice**

Approximately 77.9 % of health providers could be motivated to change their inertia attitude related to their previous practices, habits and routine works that inappropriate to the national TB control diagnostic algorithm. However, 78 respondents (57.4%) found that they still had some difficulties to change their attitudes regarding the inertia of their previous practices. 34.6% or 47 respondents said that appropriate application of TB control diagnostic algorithm was not efficiently carried out.

Health providers might not be able to overcome the inertia of previous practice, or they did not have motivation to change. This study indicated 22.1% respondents were difficult to be motivated in changing their previous practices, eventhough they knew the appropriateness of national TB control diagnostic algorithm. This condition was found also in the 14 previous surveys which indicated that more than 20% of respondents were adherence to the algorithm (Cabana et al 1999).

## **3. External Barrier**

### **3.1. Algorithm related barrier**

Almost all (91.9%) health providers felt no algorithm related barrier in tuberculosis diagnose. Only few experience of external barrier in applicability of diagnostic algorithm such as incomplete guideline (11%), not a practice guideline (22.8%), confused/ unclear guideline (6.6%) and not up to date guideline (12.5%).

**Table 3. External barrier related diagnostic process according national TB control diagnostic algorithm**

	Yes		No		sum	
	N	%	N	%	N	%
Related algorithm	11	8,1	125	91,9	136	100
Related patient	14	10,4	122	89,6	136	100
Related environment	15	11,0	121	89,0	136	100

As stated in previous studies, health providers preferred short guideline that is easy to be understood. The challenge was to create simple, clear guideline and also addressed the complexity of problems faced in daily practice. The presentation of the guideline should be in multiple format with simple algorithm, one or two page summaries. It also suggested to be available in the other versions such as electronic web-based version with hyperlinks and more detailed informations which might serve the varying needs of physicians and patients (Cabana et al 2000, Olesen et al 1997, and Hayward et al 1997) .

### 3.2. Patient related barrier

About 122 respondents (89.6%) stated almost no patient related barrier to the tuberculosis diagnose. Only few respondents had patient related barrier such as no compliance (30.1%) and unnecessary for health providers to give an advise regarding the appropriateness of this national TB control diagnostic algorithm (13.9%).

10.4% respondents said that they were unable to reconcile patient preference with the algorithm guideline. It was one of the patient related barrier as also stated in the previous study. Patient may be resistant or perceive no need for to adhere the guideline. In addition, patients might perceive the guideline was an offensive guideline (Cabana et al 1999).

### 3.3. Environment Related Barrier

It seemed there were almost no environment related barrier

to tuberculosis diagnose as stated by 121 respondents (88.9%). Some examples of positive findings: there was a scheme of algorithm in polyclinic room and some cost paid by government. Only few respondent had environment related barrier, such as: with appropriate national TB control diagnostic algorithm, cost for patient would be increased (14.7%), limited health provider knew the appropriate national TB control diagnostic algorithm (25.8%), more time consumed for application of national TB control diagnostic algorithm (36.8%).

Many factors described as barriers by more than 10 % of respondent, such as lack of reminder system, lack of counseling materials, insufficient staff or consultant support, poor reimbursement, increased out of pocket costs, and increase liability, or might also be factors beyond physician control (Cabana et al., 1999).

This study used an existing framework of barriers to guideline adherence from Cabana et al, and explored whether it covered the full range of barriers perceived by health providers. Lack of knowledge about algorithm become the most barrier to tuberculosis diagnose appropriate national TB control diagnostic algorithm.

#### **4. Conclusion**

In conclusion, this study analyzed and discussed a wide range of barriers faced by health providers when using the national TB control diagnostic algorithm. Results from this study assisted many people to explain why health providers did not adhere to those guidelines in their health care services. The results of this study also provide useful suggestions for improving health worker adherence to apply that guideline. It also illustrated that lack of adherence to individual health provider was related to multiple barriers. More focus and specific materials of training to national TB diagnostic algorithm and to revise the national TB algorithm guideline to be more appropriate in field practices. Further studies should be carried out by using better methods to analyze direct relationship of barrier



related of national TB diagnostic algorithm in Indonesia.

## 5. Acknowledgement

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# 'Informal Payments' and High Medicine Prices in Vietnam: A Qualitative Study

Tuan Anh Nguyen

Rosemary Knight

Andrea Mant

Geoffrey Brooks

Husna Razee

## Abstract

**Problem Statement:** *Medicine prices in Vietnam were unreasonably high. Adjusted for Purchasing Power Parity in 2005, the prices to patients in the public sector were 46.58 and 11.41 times the international reference price for originators and lowest-priced generic equivalents, respectively.*

**Objective:** *To identify the main reasons for high medicine prices in Vietnam.*

**Method:** *Semi-structured questionnaires were used to conduct 29 interviews with staff from pharmaceutical companies and private pharmacies and Ministry of Health officials in Vietnam from April 2008 to December 2009. Study participants were recruited using a combination of purposive and snowball sampling techniques. The interviews were all recorded, transcribed and coded using NVivo8® software. Ethics approval was obtained from the University of New South Wales.*

**Results:** *According to participants' responses, originator medicines in Vietnam were too expensive due to a supplier monopoly. Prices of generic medicines were set at around 80%, sometime even higher than those of originator counterparts to recoup informal payments, the financial inducements paid by pharmaceutical companies to medical practitioners. Pressures for survival arising from an imperfectly competitive pharmaceutical market were believed to force pharmaceutical companies to be inextricably linked to prescribers. In addition, poor market intelligence, failure to achieve economies of scale due to duplication in drug production and distribution, too many layers in the supply chain, and malfunctioning pricing policies were reported to be non-corruption related causes for the high medicine prices in Vietnam.*

**Conclusions:** *Informal payments were reported as a main driver for high medicine prices in Vietnam. Addressing the widespread issue of unethical practices is necessary in developing sound medicine pricing policies in Vietnam. Interventions to relieve dependencies for survival of healthcare services on inducements to accept informal payments are needed. Rationalization of the domestic drug production and distribution to achieve economies of scale and reduce wasteful uneconomic competition might be a solution that Vietnam needs to achieve soon.*

## 1. Introduction

Following the economic reform 'DoiMoi', the health sector in Vietnam has undergone major reforms since 1989. Vietnam's near universal, publicly funded and provided health services were converted into a highly unregulated private-public mix system (Sepehri et al. 2008). A number of market-oriented measures were implemented, including the introduction of user fees, legalization of private pharmacy and medical practices, and liberalization of the production and sale of pharmaceuticals (WHO 2007). The provision of free medicines dispensed through the public health system was discontinued (Larsson 2003) and former medicine price controls removed (Nguyen et al. 2010). With the shift to free pricing for medicines, medicine prices kept growing. To remedy this problem, Vietnamese government introduced several regulations to stabilize medicine prices (Nguyen et al. 2010).

Nevertheless, medicine prices in Vietnam were still unreasonably high. Adjusted for Purchasing Power Parity in 2005, the prices to outpatients in the public sector were 46.58 and 11.41 times the international reference price for originators and lowest-priced generic equivalents, respectively (Nguyen et al. 2009). Unusual trends were also observed with medicine prices being higher in the public sector than in private pharmacies (Nguyen 2011, Nguyen et al. 2009). Some lowest priced generics were found to be more expensive than their corresponding originator brands in the public sector (Nguyen 2011).

In this qualitative study, the underlying factors contributing to high medicine prices and the anomalies in medicine prices trend in Vietnam were examined. This study sought answers from interviews with key stakeholders to the following research questions: (1) how are medicine prices set in Vietnam?, (2) what factors influence medicine prices?, and (3) what are the main components contributing to the final price of medicines?

## 2. Researcher background and orientation to the study

In qualitative research, the researcher is a special instrument for data collection, analysis and interpretation (Patton 1990). A rigorous qualitative study therefore requires reflexivity and honest reporting of the role of the researcher (Liamputtong and Ezzy 2005). Accordingly, a brief account is given here of the first author's background, including his relationships with key stakeholders, and the lens through which he designed the study, analyzed and interpreted the qualitative data.

TAN is a pharmacist with a Master of Pharmacy degree from Vietnam, specializing in pharmaco-economics and pharmaceutical management. After five years working for multinational pharmaceutical companies in Vietnam, he became a researcher and university lecturer with a special focus on pharmaceutical marketing, pharmaceutical policies and medicine prices. TAN had ten years working in the pharmaceutical sector (both industry and university) and this makes him known to a number of stakeholders in Vietnam's pharmaceutical market, many of whom are his friends or his former students. When they became participants in this study, they treated him as a peer and confidant, rather than an outsider.

Subsequently, TAN was invited by the Drug Administration of Vietnam to work as a drug appraisal specialist on the legislative sub-committee. The sub-committee advises the Minister of Health on the granting of marketing authorization for medicines in Vietnam. From this work, he gained insights into the pharmaceutical sector from the perspective of government and a pharmaceutical regulation authority. This professional experience, together with his postgraduate studies led him to question whether medicine prices in Vietnam were influenced by the macro-environment (e.g. broad government policies) or the micro-environment (e.g. the company, suppliers, consumers, competitors, etc.) or both, and to what extent each element interacted with the other. These questions in turn led to his research on medicine prices and pricing policies in Vietnam, of which this qualitative study forms one important component. It is acknowledged that the researcher's professional background

and experience in this field could potentially lead to an element of investigator bias. However, it could equally be argued that the insider knowledge gained by the researcher facilitated access to sensitive information and an understanding of what was required to be credible with all stakeholders, especially the government.

### **3. Methods**

#### **3.1 Data collection and interview instruments**

In-depth interviews were used in this study with an interview guide being prepared in the form of an index of topics to be discussed over the course of the study (Patton 1990), as follows:

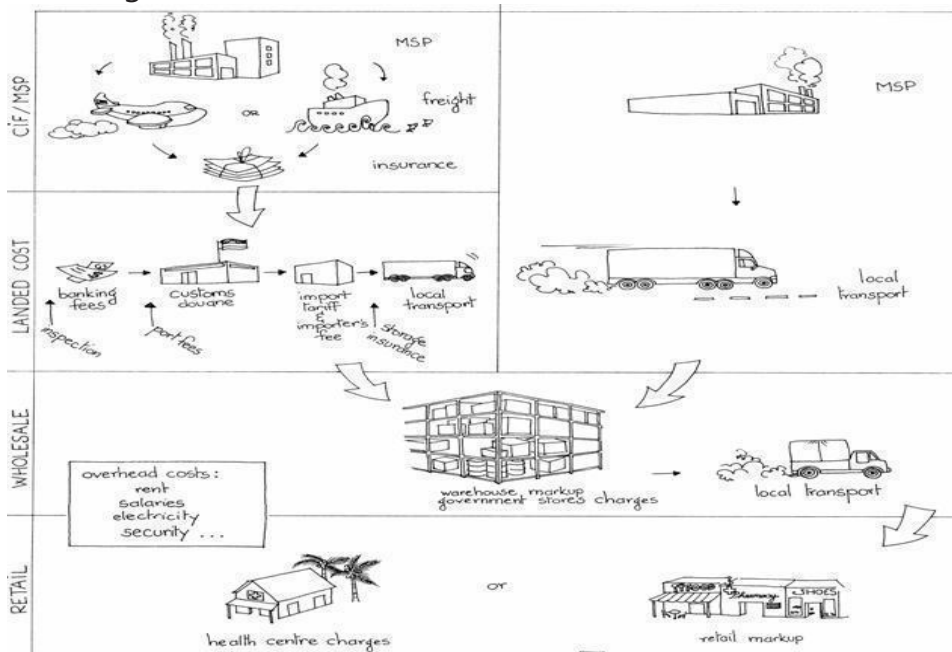
- 1) Expenses incurred along Vietnam's pharmaceutical supply chain;
- 2) Medicine price controls that the Vietnam government has put in place;
- 3) The pharmaceutical distribution network in Vietnam;
- 4) Domestic pharmaceutical production in Vietnam;
- 4) Suggested solutions for stabilizing medicine prices

Discussions were prompted using two descriptive tools. The first was a division of the pharmaceutical supply chain into different stages (see Figure 1) (WHO & HAI 2008). The second was the pharmaceutical management cycle (see Figure 2), which describes the pharmaceutical supply chain in terms of four basic functions: selection, procurement, distribution, and use of medicines (MSH 1997).

To identify the root causes of high medicine prices, two groups of participants were identified as potential sources of information: pharmaceutical companies and private pharmacies, who set their own medicine prices, and government officials who were responsible for controlling medicine prices. A combined method of purposive (Patton 1990) and snowball sampling (Hendricks and Blanken 1992, Faugier and Sargeant 1997) was adopted for recruitment of each group of study participants.

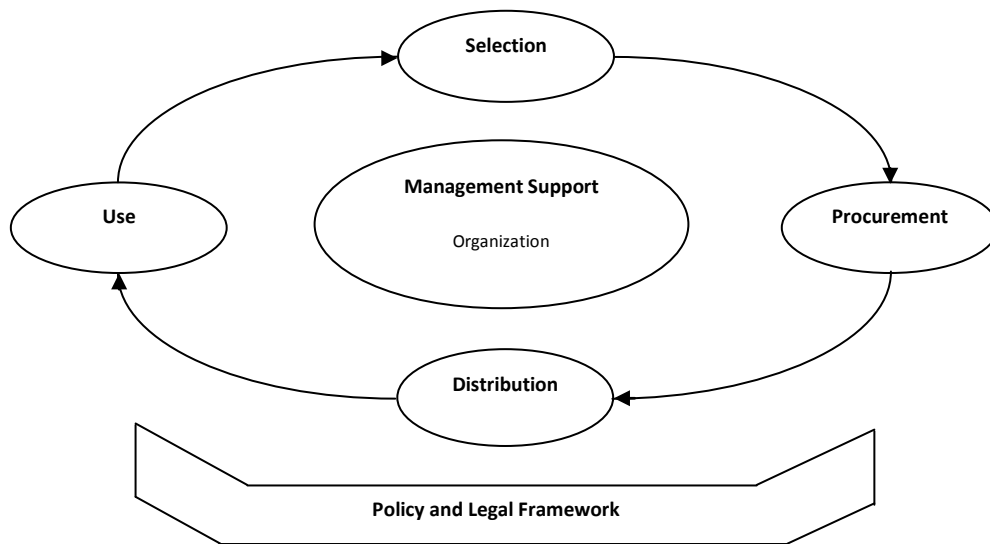
Within each group, participants were selected according to a maximum diversification criterion (Russo and McPake 2010) to capture a full range of views. Specifically, the pharmaceutical companies and private pharmacies included directors, managers, medical representatives of pharmaceutical companies (including state-owned enterprises, domestic private companies and foreign companies working in all three areas: production, importation and distribution), and the owners of private pharmacies. The government official group included officials from the Ministry of Health (MOH) and the

Ministry of Finance (MOF) who dealt with medicine pricing, financing, insurance and taxation.



**Figure 1: The staged approach to price components. Source: WHO & HAI (2008)**





**Figure 2: The pharmaceutical management cycle. Source: *Management Sciences for Health (1997)***

Before each interview, the purpose of the study was briefly described and written informed consent obtained. Each in-depth interview, whether individual or group, lasted from one to two hours and was audio taped. Following the completion of each interview, *verbatim* transcription was undertaken. After reviewing the transcript several times to obtain a sense of the whole, a summary sheet of about one page was compiled (c.f. Miles and Huberman 1994), containing the main topics discussed in the interview and emerging themes to be further investigated and/or unanswered questions for the next contact. This preliminary analysis was conducted to guide the data collection process, with the emerging themes being addressed further in subsequent interviews. The combination of the summary sheet, the transcript, and field notes from the interview formed one interview record for final analysis.

### **3.2. Data analysis**

The interview records were analyzed using a *thematic analysis* to identify the full range of issues that arose when participants discussed root causes of high medicine prices in Vietnam. Coding and querying was undertaken using QSR NVivo Version 8 software (c.f. Bazeley 2007). The coding process was assisted by HR, a co-



author who is a highly experienced, non-Vietnamese qualitative researcher, using triangulation of researchers (Patton 1990). Three of the most information-rich interview records were translated into English with back-translation to consider conceptual equivalence and cultural appropriateness. They were then cross-coded by HR to refine the coding systems. TAN used the refined coding systems to code the rest of the interview records. Initial coding was reviewed in full by HR following the English translation. Discrepant views were resolved by discussion.

The process of developing and refining coding systems involved building coding trees. Codes were compared and sorted into an organizational structure in which related codes were grouped and put under a broader category, based on conceptual relationships – ‘the same sort of things’ (Bazeley 2007). During the coding process, analytical notes were created using a project journal and memos. They were later used in the final stage of analysis, functioning also as an audit trail to document all decisions made to assist in maintaining theoretical rigor, as well as supporting evidence for the conclusions (Tesch 1990, Morse and Field 1995, Gifford 1998).

After all codes were classified and sorted into trees, connections across trees were made. Descriptions and patterns of association classified by codes were followed by comparison of differences between individuals and groups. Matrix coding queries and text search queries assisted to identify the conditions, giving rise to each association pattern. Codes focusing “around a common, broader concept, or are connected in a broader theme or theoretical relationship” across trees were grouped together using a *set* in NVivo (Bazeley 2007). Relationship nodes and models were also used to generate these types of connections and to inform the synthesis of final conceptual frameworks. Ethics approval for the study was obtained from the University of New South Wales.

## 4. Results

### 4.1. Participant characteristics

Overall, 29 in-depth interviews with 35 participants were conducted, including 27 individual interviews and two group interviews. Some respondents participated in both individual and group interviews. Table 1 gives detailed sample characteristics. Because the early findings of this study pointed to the need to focus on the practice of private pharmaceutical companies, the final sample was skewed towards this group.

### 4.2. Factors influencing medicine prices

Participants mentioned various salient issues relating to the pricing of medicines. In this paper, the main focus is on the key findings that are relevant to policy development or amenable to direct intervention to improve access to affordable medicines in Vietnam.

The key factors influencing medicine prices in Vietnam elicited in participant interviews included: patent and monopoly positions, market intelligence, economies of scale, source and quality of medicines and informal payments. Other ancillary components of the final price of medicines such as the cost of lost stock, marketing cost, retail mark-up and Value Added Tax (VAT) also contributed to high medicine prices. Lack of effective government controls provide a fertile ground for these factors to exist.

**Table 1: Characteristics of participants**

Participant group	Total Number	Sector			Gender	
		Public	Private	Foreign	Male	Female
Pharmaceutical Industry	28	3	18	7	16	12
Pharmaceutical company managers	18	3	12	3	15	3
Medical representatives	6	0	2	4	1	5

Private pharmacy owners	4	0	4	0	0	4
Policy makers	7	7	0	0	4	3
MOH officials	5	5	0	0	3	2
MOF officials	2	2	0	0	1	1
Total	35	10	18	7	20	15

### 4.3. Patent and monopoly

All participant groups considered the price of originator brands to be high due to their monopoly position; the general perception being *"a monopoly automatically leads to high prices"*. The high prices of originator brand were also attributed to the *"costly R&D expenses"*. The reported problem in the Vietnam pharmaceutical market was that a monopoly occurred not only in production and distribution of patented medicines, but also in distribution of off-patent originator brands. Study participants from domestic pharmaceutical companies (both state-owned and private), expressed concern regarding their inability to *"negotiate with producers of originator brands"* irrespective of whether the medicines were patented or off-patent. They said this was because *"originator brand companies have their own distribution channels already"*. Domestic companies therefore, were reported to be *"only able to import generics"*, resulting in a monopoly in supply of originator brand medicines, irrespective of their patent status.

### 4.4. Market intelligence

Participants from private and state-owned pharmaceutical companies considered market intelligence (information on pharmaceutical manufacturers, products and prices) as a weakness of Vietnam's pharmaceutical importers. Because of limited information about medicine prices in international markets, importers said they were unable to choose the cheapest available procurement price. Instead, companies could only choose the cheapest medicines from

the limited markets they had access to, or they had to rely on “*some traditional markets such as India, Korea and some Eastern European countries*”. Participants claimed that this limited choice contributed to the high prices of medicines in Vietnam.

Poor market intelligence also reportedly resulted in add-on costs for private pharmaceutical companies. The following three sources of market intelligence for an imported medicine were elicited: 1) importers who had imported medicines to resell, 2) an intermediary, the so-called “*consultant*” who could be “*a mandated importer, but more often a foreign representative office*” and 3) the foreign manufacturer. Because of poor market intelligence, private pharmaceutical companies rarely contacted foreign manufacturers directly to negotiate prices and buy medicines. Instead, they often relied on a third party (the first two sources), thus incurring add-on costs, either in the form of “*a medicine seeking fee*” for the consultant or from the importer’s mark-up.

#### **4.5. Market size and economies of scale**

Participant responses pointed to market size and economies of scale driving prices higher as reflected in the following words of a private pharmaceutical company manager.

*Vietnam is not a big pharmaceutical market, with a market size of around USD 1 billion. It would be relevant to Vietnam if we had about five manufacturers big enough to produce medicines for the whole market. Currently, we have hundreds of factories so the capacity of each factory is not high, leading to higher costs of production and higher prices. (A participant from a private pharmaceutical company)*

This quote points to the inefficiency of Vietnam’s pharmaceutical supply system with a small market being shared by far too many suppliers, leading to duplication of facilities and an inability to obtain significant economies of scale, thus driving up prices of locally produced medicines.

Participants from private pharmaceutical companies also acknowledged their “*small-scaled business*”. Thus, Vietnamese pharmaceutical traders appeared to not only lose the chance of

obtaining lower prices from international pharmaceutical producers because of bulk purchase, but also be less attractive to some foreign manufacturers, especially those from “Western Europe and North America” in doing business. Consequently, Vietnam companies were reportedly limited to importing generic medicines from Asia and selected pharmaceutical manufacturing countries in other parts of the world, such as “Eastern Europe” and “South America”

*European partners don't want to trade with small companies. They often ignore small orders of USD 20,000 to 30,000. That is why small domestic companies have to buy Indian and Korean products, since Indian producers are willing to supply to orders of around USD 10,000. In contrast, European producers never reply to the orders of USD 10,000 – 20,000. That is why, although we like to trade European medicines, we can't buy them. (A participant from a private pharmaceutical company)*

#### **4.6. Source and quality of medicines**

Participants’ responses suggested that sources of medicines were associated with their quality. All participants believed that originator brands, often from big international companies in Western Europe or North America, had higher quality and efficacy than their generic versions. Even with generics, medicines from Western Europe and North America were believed to have higher quality than those from Eastern Europe. Medicines from Eastern Europe were also believed to be of higher quality than those from Asian countries.

Originator brand medicines were perceived by participants as having the best quality and efficacy, but also the highest price. The prices of generic medicines seemingly varied depending on the perceived quality of their raw materials and the quality assurance process.

*Our Indian business partners said that the price of a medicine made from Indian active pharmaceutical ingredients (API) was USD 1 but if I accepted that the medicine was made from Chinese API they could sell it to me with half price, only USD 0.5. Therefore, the price will go with the quality [...] they could offer me a cheaper price but I have to accept API of the medicine from*

*lower quality sources [...] API of cefixim from Austria or Italy has a current price of USD 700 to 1,200 per kg. However, if we buy it from China, the price is only USD 200-300 while from India it is USD 400-500 (A participant from a private pharmaceutical company)*

#### **4.7. Informal payments**

The domestic pharmaceutical company participants reported that their relative inability to distribute medicines sourced from Western Europe meant that they had to buy medicines sourced from Asia, Eastern Europe and South America to trade. These medicines were reported to be of lower quality although the buying price was cheaper. Participants also reported that when they sold these medicines in the “*free market*” (private pharmacies for retail and *chothuoc*– a place where wholesalers gather to trade medicines), they often set a competitively low price for their medicines using a “*competitive pricing strategy*” to influence final customers (the patient) to achieve market share. They asserted that this was because the free market operated in a similar way to many other economic markets.

However, participants stated that it was different in the “*hospital market*” (hospital pharmacies and pharmaceutical departments) where the selling price of a generic medicine was set at “*80 per cent of the originator brand price for European generics and 60-70 per cent for Asian products*” or by “*multiplying the procurement price by 2.5 to 3 times for European medicines and by 3.5 to 4 times for Asian products*”. The way they set the prices was said to be due to the unavailability of routine bioequivalent (BE) testing<sup>1</sup>, which “*has just been done for very few medicines*”. In the absence of proper testing, Vietnam distributors were unable to quell health care providers’ skepticism of, and uncertainty about, the quality and efficacy of their generic products, especially Asian sourced medicines. To induce hospitals to procure their generic medicines of perceived

1 This test is used to assess the expected in vivo biological equivalence of two proprietary preparations of a medicine, often between a generic medicine and its originator brand. If two products are said to be bioequivalent, it means that they would be expected to be, for all intents and purposes, the same.

lower quality and for prescribers to recommend them, participants reported that Vietnam distributors had no choice but to offer material benefits to gain market access, thereby causing inflated selling prices.

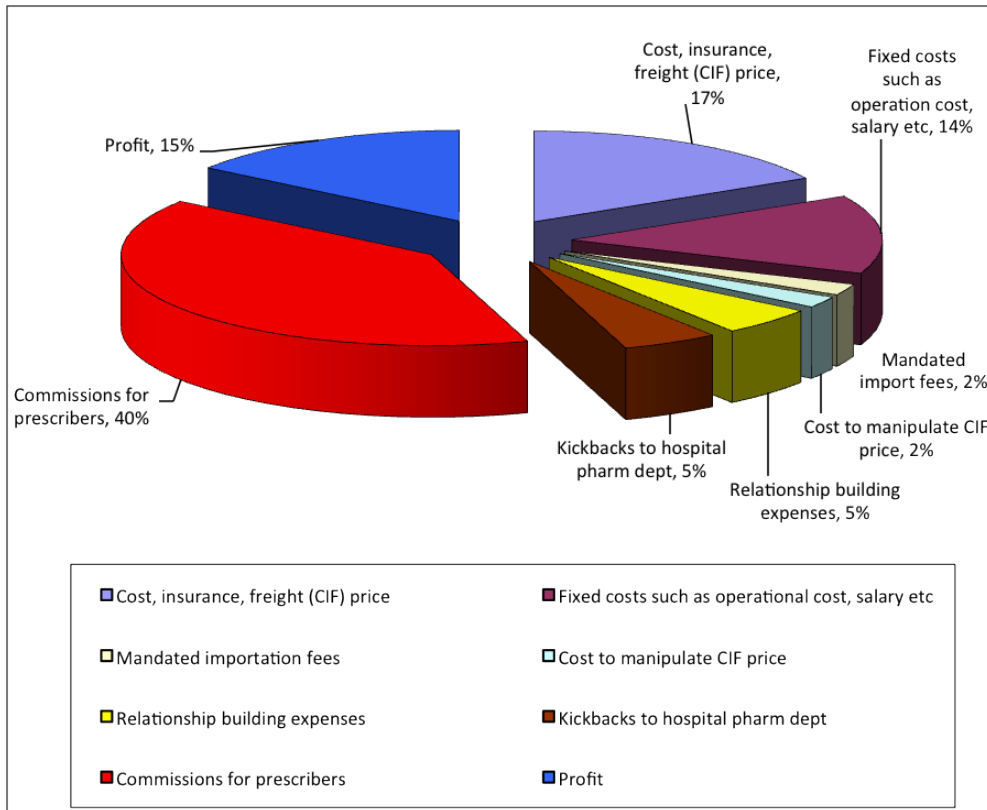
*People using generics assume that the products are cheap, but in fact they are paying an extremely high price against the real value of the medicines. They have to pay for the commission that pharmaceutical companies give to physicians. If this type of medicine had not had a commission, nobody would have prescribed these 'lởmkhởm' [bad quality] products. These medicines would surely have not been able to be sold. (A participant from a foreign pharmaceutical company)*

Informal payments were the reason most frequently cited for high prices of generic medicines in Vietnam. A typical situation was that *"patients have to pay a virtual price that contains informal expenses of up to 40-60 per cent of this price"*, including *"informal payments to authorities, commissions for prescribers, and kickbacks to hospital pharmaceutical departments"*. The following quote shows how medicine prices differed when sold into two different markets.

*A tablet of cefixim, a third generation cephalosporin, which is imported from India, for example, and sold with the INN [International Non-proprietary Name] name of cefixim in the OTC market without being detailed to physicians, had a price of USD 0.11 – 0.125 per tablet. However, the same medicine, also from India, having its own brand name, and imported by another company to sell in hospitals with detailing to doctors, is sold at USD 0.5 – 0.6 per tablet. (A participant from a private pharmaceutical company)*

For illustrative purposes, different price components, both formal and informal, for a generic medicine imported from an Asian country and sold into the Vietnam hospital market, are depicted in Figure 3. The figure is derived from data provided by a pharmaceutical company study participant with respect to one of its products. All the price components were re-calculated as a percentage of the final end sale price. A thorough account of these components is presented later in this paper.





**Figure 3: Example of the component price structure of an imported medicine sold in the Vietnam hospital market**

#### 4.8. Other components of the final price of medicines

When a medicine moves along the supply chain from the manufacturer, to the wholesaler, then the retailer, and finally to the consumer, its price will rise to reflect the value added along the way (Mossialos and Mrazek 2002). These formal components, also known as hidden costs (Levison 2003), include insuring and shipping costs, landed costs, wholesale mark-ups, retail mark-ups and taxes. The following sections describe some of the most important formal components of pricing that emerged from the information given by study participants.

Since the Vietnam government only allows 90 companies to import pharmaceuticals (DAV 2009), other companies wanting to supply imported medicines into the country do so indirectly through a licensed importer. They pay them a mandated import fee which includes the importer’s mark-ups, as reflected in the following quote.



*[...] you have to pay a mandated import fee if your company doesn't have import license. It is about 1.5-3 per cent, [...] 2 per cent on average depending on the value of the shipment. (A participant from a private pharmaceutical company)*

Another component that participants referred to was the government levied import tariff. For example, *"oral ampicillin has a preferential import tariff of 15 per cent"*. Because this cost was incurred early in the medicine supply chain, later percentage mark-ups had a multiplying effect on the final price.

Participants from the pharmaceutical industry spoke of wholesale mark-ups with two dominant groups: overhead expenses (such as rent, staff salaries, electricity, security and loss) and selling expenses (such as sale force salaries and marketing costs) as reflected in the following quotes.

*Another issue is expired products. If we cannot win a tender after one year, the medicine will expire and we have to destroy it. How are we to be reimbursed for this loss? [...] We have to calculate it as an expense contributing to the final price of the medicine. (A participant from a private pharmaceutical company)*

*Marketing cost is huge. You know that for a medicine to penetrate a market [...], pharmaceuticals are not like fish, shrimp or other ordinary commodities. Because of the uniqueness of the pharmaceutical market, the target customers are different. The expenses for doctors, for holding conferences, seminars or even for printing promotional leaflets are very high. We have to pay high salaries to our promotional staff since they are pharmacists. We also do clinical trials, providing samples for free. All these expenses cost a great deal. (A participant from a private pharmaceutical company)*

Retail mark-ups seemed to be set unreasonably high, as noted by participants from the private pharmacy group. This was said to be because of the lack of regulation on retail mark-ups.

*[...] with not-too-expensive medicines [often locally produced medicines] we have higher mark-up [...] for example, the sale is only USD 0.5 but our profit is as much as USD 0.4. Almost 50 per cent of patients, who come to my pharmacy, are sold one*

*medicine of this type. (A pharmacy owner)*

One pharmacy owner admitted that in some cases, when a medicine had an “*uncommon trade name*” even when it is a locally produced medicine, these could be sold “*with a price even higher than that of the originator brand*” because patients are not able to compare the prices.

Participants also reported the impact of Value Added Tax (VAT) on the final price of medicines. They said that while hospital pharmacies often requested “*red invoices*” (a VAT invoice) when procuring medicines, private pharmacies seldom required VAT invoices. Thus, they did not have to pay a VAT of 5 per cent for medicines purchased, as did hospital pharmacies. This was alleged to cause higher final prices of medicines in public hospital pharmacies than in private pharmacies, although the retail mark-up in the public sector was regulated.

#### **4.9. Ineffective controls by government**

Participants reported that except for originator brand medicines, all the factors influencing high prices of generic medicines could have been prevented if there had been better and more effective controls by government authorities, as reflected in the following words of a study participant from a foreign pharmaceutical company.

*Generally speaking, law is law and we still do what we have to do. Nobody follows rules and regulations. Vietnam's pharmaceutical market is the most 'chủõ' [disorganized] in the world [...]. If they [the authorities] really want to control, they can. However, the concern is whether they want to control or not [...]. Nevertheless, you cannot interfere with the price of originator brands at this stage. Originator companies have a global pricing policy, which is very clear. If they cannot have expected profit, they will withdraw their products from this small market [...]. If you want to reduce medicine prices, you should focus on low quality medicines supplied by private traders. (A participant from a foreign pharmaceutical company)*

## 5. Discussion

The qualitative study provided rich and novel data about medicine prices and policies in Vietnam, which is essential knowledge for improving access to affordable medicines. The factors contributing to high medicine prices in Vietnam as revealed by study participants and described in this paper, apply to varying degrees to both originator brand and generic medicines. Participants reported that for patented originator brand medicines, there are often no substitutes. Price elasticity of demand for these products is therefore very low. This enables companies to set as high a price as the market can bear, to recoup their costly R&D expenses and the additional costs associated with guaranteed quality, maximizing profits.

With off-patent originator brand medicines or generic products of reputable pharmaceutical companies from Western Europe or North America, a relative monopoly is still enjoyed. This is especially so in treatment of severe diseases because of their perceived pre-eminent quality and efficacy over that of other generic equivalents sourced from Asian countries. The monopoly of multinational companies in distribution of these products through few foreign direct investment logistic companies also adds to the general monopolistic position of these medicines, irrespective of their patent status. This monopoly develops initially as a consequence of patent protection and continues as 'brand loyalty' in common with most market systems. Their monopolistic position results in relative price inelasticity of demand.

Poor market intelligence, failure to obtain economies of scale due to fragmented markets, and small-scale business has limited the range and scope of importation by domestic pharmaceutical companies. As a result, their imports have been derived mainly from Asian countries and selected Eastern European and South American nations. Medicines sourced from these countries were perceived to be low in quality and efficacy. In order to compete against originator brands or generic medicines from reputable companies in Western Europe and North America, domestic pharmaceutical

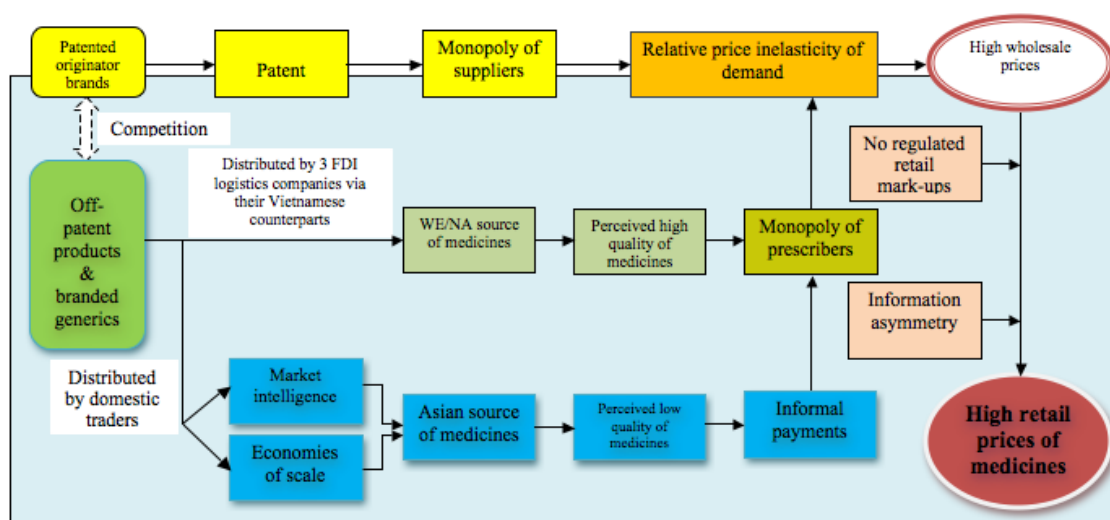
traders reported having to resort to making informal payments first to induce hospital pharmaceutical departments to procure their products, and then for clinicians to prescribe them to patients. These informal payments were reported to add a significant additional cost component to the final price.

In most cases, the premium prices set by originator brand medicines created a price ceiling for those competing generics perceived to be of lower quality and efficacy. In other cases, the use of informal promotional payments, as a trade-off to attain a viable market share, made the price of competing generics higher than that of originator brand medicines. This effect explains one of the unusual findings in the medicine price trend in Vietnam (Nguyen 2011). In addition to informal payments, other components also added to the final price of medicines in Vietnam. Among them, the most important one reported by participants was an unreasonably high retail mark-up. This was reportedly caused by a lack of regulation on the mark-up in the private pharmaceutical retail sector and the information asymmetry between patients and medicine sellers. Ineffective control of these practices by government was claimed to be fertile ground for high medicine prices to flourish. These themes are represented in the model depicted in Figure 4, which provides a diagrammatic summary of the main features identified in the qualitative study as explaining high medicine prices in Vietnam.

## **6. Conclusion**

The reasons given by study participants for high medicines prices and the many contributing factors have implications for future policies and practices. Informal payments were reported as a main driver for high medicine prices in Vietnam. Addressing the widespread issue of corruption is necessary in developing sound medicine pricing policies in Vietnam. Interventions to relieve dependencies for survival of healthcare services on inducements to accept informal payments are needed. Rationalization of the domestic drug production and distribution to achieve economies

of scale and reduce wasteful uneconomic competition might be a solution that Vietnam needs to achieve soon. However, prior to formulating effective solutions, it is necessary to have a more in-depth understanding of informal payments, as a significant and previously unexplored component, reported to add to the price of perceived low quality generic medicines. The issue of why and how informal payments occurred and how they influence high medicine prices need to be more fully addressed in a future study.



FDI: Foreign Direct Investment, WE: Western European, NA: North American

**Figure 4: Model of interaction of factors causing high medicine prices in Vietnam**

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INTEGRITY AND PUBLIC HEALTH  
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# Elderly Health Care Services in Indonesia a Need of Global Commitment for Improving Service Utilization

Siti Masfiah, SKM, M.Kes, MA

## Abstract

*Elderly population is likely to increase in developing countries similar to those in developed world. In many developed countries, increasing the elderly population number is related to; 1) higher life expectancy, and 2) improvement of their health status. Improvement of the health status of elder population is highly associated with changes in pattern of utilization of health care system. Logically, it is understood that these points apply to developed countries, and it has not wondering for understanding similar points in developing countries, including Indonesia. Recent studies in some developing countries, mentioning some significant points of neglected the development of health care services among elder population. Research related of health care services for elderly is not frequently carried out in Indonesia. This study aimed to describe factors related to the utilization of health care services for elderly in Indonesia and to provide some relevant recommendations in improving those health care services. Data were taken from Indonesian Family Life Survey (IFLS) 2007. It was a cross-sectional study involving 14,641 households throughout Indonesia. The subjects were the household members aged 50 years and over, and it was found about 6,078 elderly member. Logistic regression is used to analyze the utilization of elderly health care services.*

*Results showed health care services among elderly in Indonesia were neglected. Most of elderly member did not utilize the health care service, it accounted only less than five percent of elderly utilized the health care services. The utilization of health care services by elderly in Indonesia was highly related to gender differences, age group, per capita expenditure, beneficiary of health insurance, and community participation. Elderly with second lowest per capita expenditure were more likely to utilize the health care services. The very old household members (70 years and over) were more likely to utilize health care services rather than other age groups. Elderly in the household owned health insurance or got beneficiary of social insurance from the other family members were likely to utilize more health care services. This study strongly recommended that Province/District and City Governments need to lead commitment building between themselves and the communities to promote the utilization of health care services for elderly at all layers of economic status and to improve an appropriate, high quality and effective health insurance scheme for elders.*

**Keywords** : Health care services for elderly, commitment, health insurance, and health service utilization



## 1. Introduction

The number of elderly community is increasing both in developed and developing countries. Because of epidemiological, demographic transition and health technology improvement, the mortality rates have been declined in the world. At the same time fertility rates have also been relatively declining. As a result, people are surviving more and produce more elderly people gradually. The number of elderly over 60 years old is projected by the UN Population Division to increase from just fewer than 800 million in 2012 (representing 11% of world population) to over than 2 billion in 2050 (representing 22% of world population) (PGDA working paper, 2011). By 2050, another 15 countries currently classified as 'developing' would be expected to have 10 million or more elder population. This generation was growing at a faster rate than the total population in almost all regions of the world (UNFPA, 2010).

In Indonesia, data from the Central Statistics Bureau (BPS), 2010 showed there were around 24 million over-60s population in the country, or about 9 percent of the country's population. the number of elder population was projected to have risen by about 11.3 percent to some 28.8 million by 2020 (BPS, 2010).

An aging population created new demands on health care services. Increasing number of elderly should be simultaneously relate to; 1) higher life expectancy, 2) improvement of their health status. Improvement of the health status of elder population is highly associated with changes in pattern of utilization of health care system. So far it is understood that these points apply to developed countries, it has not wondering for understanding similar points in developing countries, including Indonesia.

Health care service utilization in elderly is important as a matter of people growing old. They become more vulnerable to ill health and more dependent with chronic diseases. It is considered as a serious threat to their health. To maintain and improve the health status of elderly, the demand of health care service for elderly should be higher on preventive health care than curative health care. (Jamison, DT, Mosley WH, 1991, 15).

In Indonesia, actually health care services for elderly can be found in several health service facilities such as primary, secondary and tertiary health care facilities. However, most of them are predominantly provided curative health care service. There is one program from Ministry of Health (MOH) covering preventive health care service for elder people. It is integrated in primary health care service called elderly integrated service post (*posyandu lansia*). Health care services in *posyandu lansia* include physical and mental health screening, emotional recorded and monitored by *Kartu Menuju Sehat* (KMS) or Card Towards Healthy to detect earlier symptoms and signs of illness or health problem threatening those elderly. (Subijanto, et al, 2011).

Both health care preventive and curative services are not simply related with the outcome of illness, nor is it an inevitable outcome of aging. Especially in developing countries, some studies show that the factors of population, economic and social have relationship to the utilization of health care service of elderly (Pol and Thomas, 1992, Andersen, 1968, Chooprapawan et al., 1996). Many elderly did not utilize the health care service because they did not have money to go for it. Other studies, in Thailand (Porapakham et.al; 2000) found that most of common sick elderly usually did self-medication or bought medicine at drug store. Related study is relatively rare to be conducted in Indonesia. This study aimed to describe factors related to the utilization of health care services for elderly in Indonesia and to provide relevant recommendations in improving those health care services.

## **2. Literature Review**

### **2.1. Indonesian Family Life Survey (IFLS)**

IFLS was a continuing longitudinal socio-economic and health survey in households, communities and the health service providers in Indonesia. It was based on a random sample of households residing in 13 of the nation's 26 provinces in 1993. The survey collected data on individual respondents, their families, their

households, the communities in which they live, and the health and education facilities they use.

The first study (IFLS-1 in 1993) was conducted on individuals living in 7,224 households. The IFLS2 sought to re-interview the same respondents four years later, including tracking respondents who had migrated from their 1993 (IFLS-1) dwelling. This included efforts to follow individuals who moved out of their previous household, such as young adult children moving away from parents. In the IFLS-2, about 7,500 households were interviewed. The IFLS-3, was fielded in 2000 and resulted in a sample of over 10,000 households, again reflecting the protocol of tracking respondents who had split from the original households and formed new households (Strauss et al, 2004a). The fourth wave of the Indonesia Family Life Survey (IFLS-4) was a continuation of IFLS, expanding the panel to 2007. IFLS-4 involved 14,641 Household (Strauss et al, 2009).

## **2.2. Elderly**

The definition of the elderly varies. Most developed countries had accepted age of 65 years as a definition of "elderly" or older person. This did not adapt well to the situation in some developing world. World Health Organization (WHO) defined "the elderly" as a person aged 60 years and over, as well as the United Nations (UN, 1999). IFLS wave four (2007) used a person age 50 years and over in highlight an elderly (Strauss et al, 2009).

Age classification varied between countries and over time, reflecting in many instances the social class differences or functional ability related to the workforce, but more often than not was a reflection of the current political and economic situation. (Thane, 1978).

Due to some factors; social, economic, medical progress, family planning and public health development, birth rates and death-by-elders rates had declined. It was resulting on increasing old population. This change in age structure reflected a rapid increase of aged population which had its own characteristics in lifestyle, health and sickness, need of specific care and need of social welfare

(UN, 1999). Moreover, older people had greater risk related health problems because naturally, human being physic, psychology, and social interaction was decrease gradually by ages (Indonesia MoH, 1992).

### **2.3. Utilization of Health Care Service for Elderly**

Pol and Thomas (1992), Philip (1990) stated that population characteristics were deeply associated with health services, and this affected understanding of illness and death patterns of the population. The population factors affecting the prediction of health behavior and health service utilization were sex, age, income, marital status, education, occupation, nationality, beliefs and religion.

## **3. Methodology**

Data were obtained from IFLS 2007. It was a cross-sectional survey involved 14.641 households in Indonesia. The subjects were all of the household members aged 50 years and over (6.078 elderly). Utilization of health care service by elderly was measured by respondent self-report on utilization of elderly integrated service post in the past 4 weeks. Logistic regression is used to analyze factors related to utilization of elderly health services.

## **4. Research Result**

### **4.1. Utilization of Health Care Service by Elderly**

#### **4.1.1. Description**

Each of the elderly respondent was asked whether they utilized or not the elderly integrated services post in the past 4 weeks. Based on table 1 showed that elderly utilized the post was very low (2.7%), meant they neglected the services provided for them.

**Table 1. Utilization of health care services by elderly, 2007**

Utilization of elderly health services	n	(%)
Yes	165	2.7
No	5,913	97.3
Total	6,078	100.0

#### 4.1.2. The purpose of utilization of elderly health service

Elderly that utilized the health service had several purposes. Most of them had purpose both for health check-up and treatment and other purposes. Other purposes consisted of taking food supplements, meet with other elderly, activities with other elderly, and counseling.

**Table 2. Purpose of utilization of health care service by elderly**

The purpose of health care service utilized by elderly	Male n (%)	Female n (%)	Total n (%)
Health check-up and treatment	13 (37.1)	58 (44.6)	71 (43.0)
Health check-up and treatment and other purpose	17 (48.6)	61 (46.9)	78 (47.3)
Other purpose	5 (14.3)	11 (8.5)	16 (9.7)
Total	35 (100.0)	130 (100.0)	165 (100.0)

#### 4.1.3. The distance of health service

The distance of health service measured based on the preference health services visited by elderly. Table 3 revealed that most of elderly preferred to visit the short distance post (less than 1 km)

**Table 3. Distance of health care service from elderly residence**

The distance of health service from elderly residence	n (%)
Less than 1 km	142 (88.2)
1 – 3 km	15 (9.3)
More than 3 km	4 (2.5)

#### 4.1.4. The involvement of primary health service personnel

The involvement of health providers was in guiding the elderly program. Based on the study, it described most of health providers involved in the elderly health service utilized by the respondents. However, around 15 % of respondents claimed no involvement of health providers.

**Table 4. Involvement of health provider**

The involvement of health provider	n (%)
Yes	140 (84.8)
No	25 (15.2)
Total	165 (100.0)

#### 4.2. Factors Related to Utilization of Health Carew Service by Elderly

Many studies revealed that social, economic, and personal factors related to elderly health services (Philips, 1990; Pol, Thomas, 1992). In this study factors measured were gender, age group, education experience, marital status, per capita expenditure, health insurance and community participation.

Based on Table 5, female elderly utilized health care service higher than male elderly. Elderly with second lowest quintile of capita expenditure utilized the health care services most frequently. The very old elderly group (70 years and over) utilized health care services more frequently than other age groups. Elderly who had health insurance or got beneficiary of health insurance from other family member were utilized most frequently of health care serviced.

**Table 5 Descriptive factors related to utilization of health care services by elderly**

Variables	Utilization of health care services by elderly		Total n (%)
	Yes n (%)	No n (%)	
<b>Gender</b>			
Male	35 (1.3)	2,813 (98.7)	2,848 (100.0)
Female	130 (4.0)	3,100 (96.0)	3,230(100.0)

<b>Age Group</b>			
50 – 59	60 (2.0)	3,022 (98.0)	3,082 (100.0)
60 – 69	58 (3.0)	1,850 (97.0)	1,908 (100.0)
≥ 70	47 (4.3)	1,040 (95.7)	1,087 (100.0)
<b>Education experience</b>			
Uneducated	2 (0.9)	210 (99.1)	212 (100.0)
Not completed elementary school	44 (2.2)	1,925 (97.8)	1,969 (100.0)
Graduated elementary school	80 (3.3)	2,320 (96.7)	2,400 (100.0)
<b>Marital Status</b>			
Never married	2 (3.4)	56 (96.6)	58 (100.0)
Married	97 (2.2)	4,288 (97.8)	4,385 (100.0)
Separated	0 (0.0)	38 (100.0)	38 (100.0)
Divorce	8 (4.5)	169 (95.5)	177 (100.0)
Widower	58 (4.1)	1,362 (95.9)	1,420 (100.0)
<b>Per capita expenditure</b>			
1 <sup>st</sup> quintile	21 (1.7)	1,214 (98.3)	1,235 (100.0)
2 <sup>nd</sup> quintile	40 (3.3)	1,161 (96.7)	1,201 (100.0)
3 <sup>rd</sup> quintile	27 (2.3)	1,158 (97.7)	1,185 (100.0)
4 <sup>th</sup> quintile	42 (3.6)	1,124 (96.4)	1,166 (100.0)
5 <sup>th</sup> quintile	33 (2.9)	1,117 (97.1)	1,150 (100.0)
<b>Health Insurance</b>			
Yes	78 (4.5)	1,647 (95.5)	1,725 (100.0)
No	86 (2.0)	4,262(98.0)	4,348(100.0)
<b>Actively Participated</b>			
Yes	72 (4.5)	1,542 (95.5)	1,614 (100.0)
No	62 (2.6)	2,355 (97.4)	2,417 (100.0)

Determinant factors related to the utilization of health care service by elderly were then analyzed by using logistic regression statistical technique. Based on table 6, showed that female was 6 times more likely utilized the services as compare to male. Very old elderly (70 years and over) was 2 times more utilized the services in comparison with the other age group of elderly. Elderly with second lowest quintile of per capita expenditure was 2 times more likely utilized the service as compare to the lowest one. Elderly who had health insurance or got beneficiary of health insurance from other family member was 2

times more utilized the service as compared to those who had not covered by health insurance. And finally, elderly participated actively in elderly integrated post was 3 times more likely to utilize the service compared to those who elderly who did not.

**Table 6. Logistic Regression of factors related to utilization of health care service by elderly**

Variables	OR	SE	P value	95% CI	
<b>Gender</b>					
Male®					
Female	6.0	1.5	0.000	3.6	9.9
<b>Age Group</b>					
50 - 59®					
60 – 69	1.9	0.4	0.004	1.2	3.0
≥ 70	2.7	0.8	0.001	1.5	4.9
<b>Education experience</b>					
uneducated®					
Not complete elementary school	3.0	3.1	0.277	0.4	22.7
Graduated elementary school	4.9	5.0	0.118	0.6	36.2



Marital Status					
Never married®					
Married	1.4	1.8	0.751	0.2	11.1
Separated					
Divorce	2.8	3.2	0.375	0.3	26.8
Widower	1.5	1.6	0.717	0.2	11.8
Per capita expenditure					
1 <sup>st</sup> quintile®					
2 <sup>nd</sup> quintile	2.4	0.9	0.032	1.1	5.2
3 <sup>rd</sup> quintile	1.4	0.6	0.382	0.6	3.3
4 <sup>th</sup> quintile	1.7	0.7	0.172	0.8	3.7
5 <sup>th</sup> quintile	1.1	0.4	0.835	0.5	2.4
Health Insurance					
Yes	2.2	0.5	0.000	1.4	3.3
No®					
Actively Participated					
Yes	3.2	0.7	0.000	2.1	5.0
No®					

*Note: ® Reference*

Many studies found that male elderly did not prefer to self-report and felt their health condition. It was reflected on their pattern of health seeking behavior and utilization of health care services. This point is in line with the study result (Coulton and Frost, 1982).

## 5. Conclusion

Most of elderly in Indonesia neglected the health care service provided for them. Elderly health service utilization in Indonesia

highly related to gender differences, age group, per capita expenditure, beneficence of health insurance, and community participation.

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INTEGRITY AND PUBLIC  
HEALTH FORMULATION AND  
MANAGEMENT: DEVELOPING INTEGRITY  
EDUCATION IN THE PUBLIC HEALTH SECTOR

# The Development of Integrity Education Model In Health Financing

A Case Study In School of Public Health,  
Diponegoro University

Dr. Sutopo Patria Jati, MM

## **Abstract**

*Health sector in Indonesia is highly susceptible to corruption. The needs of integrity education for health professional candidates are demanding, in accordance with the increasing practice of corruption in health sector. This challenge is answered by Faculty of Public Health University of Diponegoro (UNDIP).*

*This is an action research with methods and steps used to develop the integrity educational model are (1) workshops or brainstorming sessions to develop the conceptual designs, (2) workshops in making modules for integrity education, and (3) to do trials in inserting materials of integrity education module.*

*The results shows that integrity, often seen as mostly private or personal affairs with the important implication in public sector include public health. It has to be arranged in a way that promoting integrity should be compulsory in student curriculum.*

**Keywords: integrity module, public health student, corruption**

## 1. Background

Health financing is one of the subsystems in National Health System stated in Peraturan Presiden RI Nomor 72 Tahun 2012 (President of Indonesia Regulation No. 72, 2012). The Government of Indonesia health expenditure has increased from time to time. Per capita, it increased more than twofold, that was Rp.260,509.91 (equivalent to US \$ 26.84) in year 2005 into Rp.576,053,95 (equivalent to US \$ 55.44) in year 2009.<sup>2</sup>

There was also a shifting in government funding management, that was the significant increase in the Local (Province and District/City) Government in accordance with decentralization policy, from Rp.9.4 trillion in year 2005 to Rp. 24.8 trillion in year 2009. Furthermore, the budget for Jamkesmas or health insurance for the poor was increased from year to year. However, the total number of poor people covered by the Jamkesmas remained the same, 76.4 million from 2008 until 2011. It indicates that there was a possibility and a tendency of corruption in utilization of Government health expenditure in Indonesia.<sup>2</sup>

As a result of monitoring activity done by the Indonesia Corruption Watch (ICW), in the period of 2006-2008 there were 54 corruption cases which were being pursuit by the District Attorney, KPK or Indonesia Corruption Erradication Commission and Police. Researcher from Public Services Monitoring Division said that out of those 54 corruption cases, 49 cases of them caused loss of country budget up to Rp 127,991,698,444. The biggest portion was corruption in purchasing the medical devices (Rp 49,065000,000). The second prtion was corruption in the construction of hospitals and Puskesmas (Health Center) as much as Rp 36,576,000,000, and the third was corruption in drugs provision (Rp 30,405,000,000).<sup>3</sup>

The corruption cases were mostly involving the local government officials such as Kepala Dinas Kesehatan (Head of District Health Office) and the DPRD (the Local Parliament), and also Director of Hospital, while the higher level corruption was still unrevealed at that time. Reasons for corruption were still predominantly around the purchasing of goods and services by marking-up of the funding

as well as bribing modus. These caused the country's loss as much as Rp. 103 billion<sup>4</sup>. Health sector in Indonesia is highly susceptible to corruption. The persons potentially doing corruption and/or actions with no integrity are; national-level program administrators (such as those who are working at the Ministry of Health), payers, DPR (parliament), DPD (senator), BPOM (Food and Drugs Control Body), and other regulating bodies), local-level program administrators (Provincial/ District/City Health Division, DPRD (Provincial/ District/ City parliament), providers in social insurance organization as well as government and private insurance company, hospital providers (/public hospitals, private hospitals and Health Centers), suppliers (supplier of drugs and medical device), and also the contractors and patients or community.<sup>5</sup>

Corruption is moral hazards that can be prevented through character building and education of integrity and anti-corruption. But the fact, the curriculum of anti-corruption and integrity education for health professional are still limited. The needs of integrity education for health professional candidates are demanding, in accordance with the increasing practice of corruption in health sector. This challenge is answered by Faculty of Public Health University of Diponegoro (UNDIP) by starting to establish development plan of integrity education model, which consist of four development steps that are still in process.

## **2. Purpose**

This research is aimed to :

- 1) Enhance the education of anti-corruption integrity character for students
- 2) Analyze the transformation of student's knowledge, attitude and skill in observing and criticizing various practice in cases of manipulation in health financing management
- 3) Produce candidates of health professional with high standards of competence in skills, attitude, cognition and integrity in the community

- 4) Introduce the concept of anti-corruption and integrity actions in the practice of health financing management allocated in health sector and health programs
- 5) Increase the understanding and in-depth comprehension of the students regarding the anti-corruption and integrity materials in cases of health programs financing management (fairness, transparency and accountability).
- 6) Make the students are able to incorporate or to integrate various topics of health financing related to the anti-corruption integrity, so that the students understand the red line (connection) between the anti-corruption integrity and the problems of health financing in Indonesia, and they are able to analyze and to find the alternative solutions.

### 3. Methods

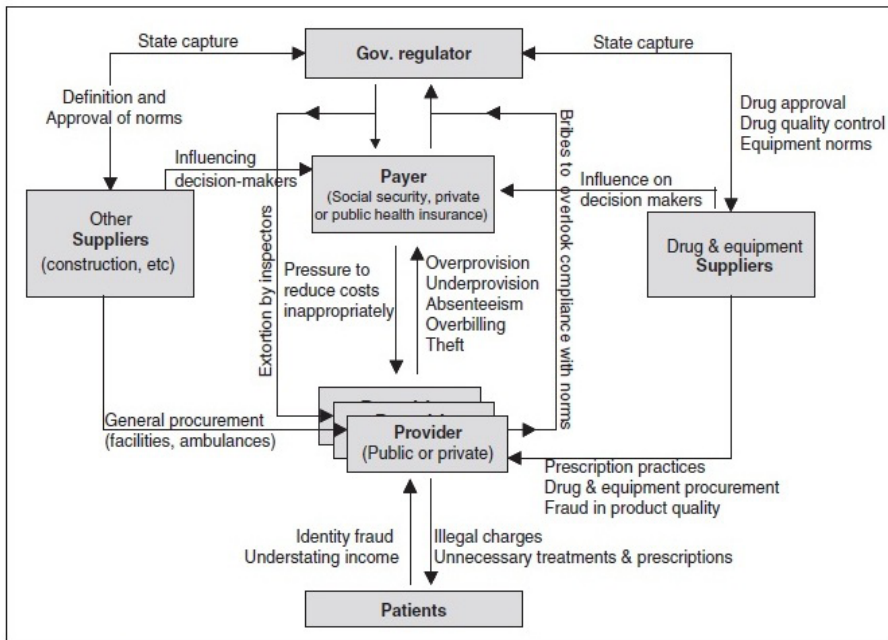
This is an action research. Methods and steps used to develop the integrity educational model are firstly, workshops or brainstorming sessions to develop the conceptual designs. The conceptual design chosen is based on *Sistem Kesehatan Nasional* or National Health System. Secondly, workshops in making modules for integrity education. The third step is to do trials in inserting materials of integrity education module into the teaching and learning process of the students being samples of this research. Finally, the last step is monitoring and evaluating of the entire steps.

### 4. Results

Corruption in the health sector can be as a matter of life and death, especially for poor people in developing countries. In China, an estimated 192,000 people died caused by fake drugs in 2001. An IMF study across 71 countries showed countries with high incidences of corruption had higher infant mortality rates, even after adjusting by variables of income, female education, health spending and urbanization.<sup>6</sup>

Defined by Transparency International as 'misuse of entrusted

power for personal gain, corruption occurred when public officials who were given the authority to implement the programs in achieving goals of public good used their positions and powers to benefit themselves and others people who were close to them. Corruption in the health sector may be viewed by examining the roles and relationships among different players to identify potential abuses that are likely to be occurred (Ensor and Antonio 2002; Savedoff 2006). Risks of corruption in the health sector were uniquely influenced by several organizational factors. As Savedoff (2006) explained, the health sector was particularly vulnerable to corruption due to: uncertainty surrounding demand for services (who would be ill, when, and what will they need); many dispersed actors including regulators, providers, payers, consumers and suppliers interacting in complex ways; and varies information among the different actors, making it difficult to identify and control for diverging interests. In addition, the health care sector was unusual in the extent to which private providers are entrusted with important public roles, and the large amount of public money allocated to health spending in many countries (Savedoff 2006).<sup>7</sup>



**Figure 1 Five key actors in the health system**

Source: Savedoff and Hussmann, Chapter 1, The causes of corruption in the health sector, in Transparency International (ed.), Global Corruption Report, 2006. London: Pluto Press, p. 7.



Integrity is one of the most important and oft-cited of virtue terms. It is also perhaps the most puzzling. For example, while it is sometimes used virtually synonymously with 'moral,' we also at times distinguish acting morally from acting with integrity. Persons of integrity may in fact act immorally – though they would usually not know they are acting immorally. Thus one may acknowledge a person to have integrity even though that person may hold what one thinks are importantly mistaken moral views. (Stanford Encyclopedia of Philosophy). The education model for professionals in health sector which is related to the assessment of compassion and integrity attributes developed by Danielsen and Cawley (2007). They had identify at least 3 critical phases that's appropriate to assess the two attributes; prior to admission, during education, and graduation standards.<sup>8</sup> Based on the above discussion, the development of integrity educational model in health financing implemented in Faculty of Public Health – UNDIP is a concrete step to promote integrity among students as health professional's candidates in order to build the integrity character inside them.

Developing the integrity educational model begin with performing workshop or brainstorming to get the exact conceptual design to be applied to the students. . Participants of the workshop came from 3 selected universities in Indonesian Integrity Education Network (IEN) which fulfilled the criteria of having faculty of public health and considered ready to develop integrity education model in health sector. They are from *Universitas Islam Negeri Syarif Hidayatullah Jakarta*, *Universitas Sam Ratulangi Manado* and UNDIP. The outcome of the workshop adopted the conceptual design of National Health System (NHS). The first reason is the newest NHS is arranged in form of *Peraturan Presiden Republik Indonesia Nomor 72 Tahun 2012* (president regulation) while the older product was merely only a Ministry of Health regulation. Hence, the new NHS has a higher and stronger law enforcement and abide more, either in internal health sectors, or outside it. Second reason, by using the NHS, the students is conditioned to view every problems occurred in health sector systematically and comprehensively. The third

reason, to anticipate if the model would be replicated into other various kind of health professionals it would be easier to accept. In the first workshop, it was also agreed to classify the topics according to 7 subsystems listed in the NHS, and the author of this paper was given the topic of health financing.

The Second Step is performing workshop establishing modules for integrity education. This workshop is aimed to set up materials related to education of integrity and anti-corruption based on NHS's subsystems. In health financing subsystem, several cases of manipulation in the practice of health financing management of various health programs had also inserted into modules as case study references for the students to criticize various health financing phenomena in Indonesia. The criteria of selecting the case which developed in the module were based on magnitude of the problems and their relevancy with the recent policy. Finally there were 3 major cases selected; 1) *Amanat UU No. 36 th 2009 tentang Kesehatan pasal 170*, it is about allocation of health financing; 2) Management of health financing in *Jamkesmas* program for the poor; and 3) The compulsory of health insurance for the government officers. The module was also completed with evaluation material in the form of pre test and post test which aimed to measure the students achievement in this course.

Up to this moment, the development of integrity educational model has reached the third steps, that is preparation for trial of insertion in modules. The scenario of insertion agreed is the process of inserting modules into the subject of Public Health Practice studied by the students of 6<sup>th</sup> semester with *Administrasi Kesehatan Kebijakan (AKK)* or Health Administration and Policy concentration. As for several intervention that has successfully implemented in the preparation of trial of insertion integrity education module are; 1. revising the syllabus of Public Health Practice, 2. assigning the team of facilitator and establishing the tools for monitoring and evaluating which consist of valuation to the performance of the facilitator and the transformation of cognitive, affective and psychomotor aspects of the 6<sup>th</sup> semester students of *AKK* concentration

During the implementation, this preparation step of trial in inserting this module also had to consider the supporting and inhibiting factors. The supporting factors were; (1). flexibility in revising the syllabus of *Public Health Practice* subject by added materials of anti-corruption and integrity education, (2). number of students is within adequate control (as much as 38 students), and (3). the purpose of development of this integrity education model is synchronous with the new policy in UNDIP, which support the character education for the students. While the inhibiting included (1) time-limitation of the learning and teaching process due to compacted curriculum, (2) No module which is more comprehensive and standardized, and (3) the limitation of the number of facilitator to execute the trial of inserting such module.

## 5. Conclusion

Health professional is expected by the community to have a high standard of professional skills and ethics. All lecturers of health professional should provide all professional health candidates the knowledge and skill (integrity education as an addition to clinical competency) needed to fulfill the expectation of the community. The development of this model is a practical method to transfer the values and attitude of the health professionals.

Integrity, often seen as mostly private or personal affairs with the important implication in public sector. If integrity as a center and substantial to benevolence as the new topic, then ideally the arrangement of institution – including the standard measurement of government and economy performance, they assist to perform our life in better quality. It has to be arranged in a way that promoting integrity should be compulsory in student curriculum.

This is an on going process of integrity module for public health education. Up until now, the execution had gained successfully at the preparation step of trial of inserting the integrity education modul in Faculty of Public Health, UNDIP. Hopefully, in the future, this education institution has to replicate in other health education

subjects, and also preparing the availability of more facilitators, especially from the lecturers or students (peer group education).

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# Module on Agriculture and Health for Ecohealth Training Course in Asia

Edi Basuno

Fang Jing

## Abstract

*This module is about developing good understanding and strong analytical and action capacity of the links between agriculture and health in Asia contexts, through an ecohealth approach. It is designed in a way that allows participants to apply for what they have learnt about ecohealth approach in other modules of this training course in a specific arena, namely agriculture and health. The complex and diverse patterns of agriculture practices, ranging from subsistence farming to intensified modern agriculture, and their multiple, dynamic and complex interaction with the health of human being, animal and the ecosystem provide rich field for the application of ecohealth approaches, that include systems thinking, transdisciplinarity, participation, sustainability, gender and social equity and knowledge to action. Agriculture activities accumulated throughout the long history of human development are so rich that it is impossible to cover every issue in a training course with limited time. Thus, selection is essential and a few key agriculture and associated health issues should be selected as examples or case studies to assist participants to gain knowledge and to develop capacity. This module will first give participants a broad overview about the connections between agriculture and health and then select several key and relevant issues in Asia for in-depth case studies.*

**Key Words: Module, ecohealth, health, agriculture, Asia**

## 1. Introduction

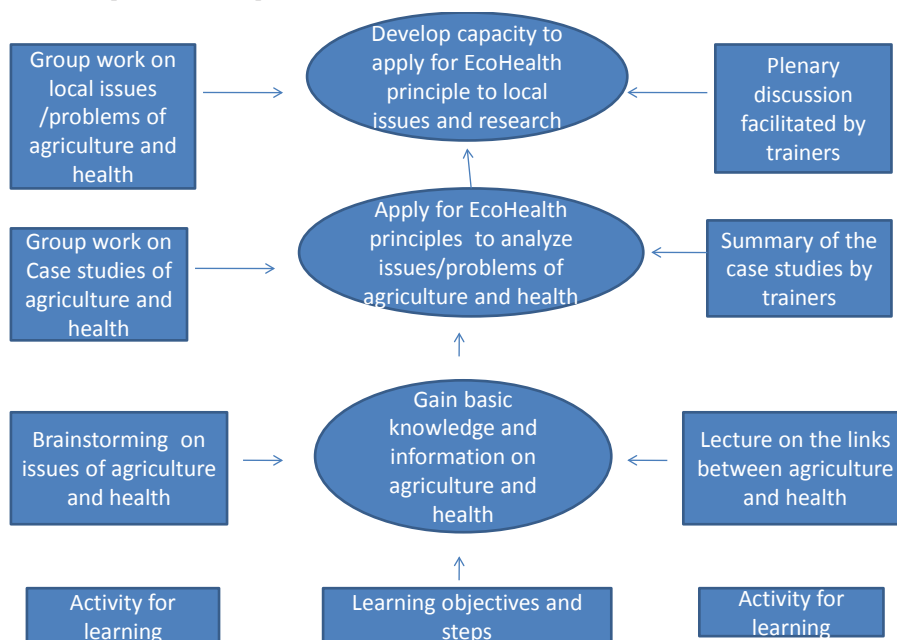
International Development Research Center (IDRC) had been active in supporting ecohealth research in South East Asia (SEA) and China since 2005. In 2011 a program called Field Building Leadership Initiatives (FBLI) was introduced with the aim of preparing new leaders with ecohealth insightful. One important component of FBLI was to develop guidelines in the form of manual for understanding and transferring ecohealth approach in research and development. The overall objective of the FBLI program is to build the field of ecohealth by integrating research, capacity building, policy and networking to focus on solving human health problems associated with agricultural intensification in SEA countries.

Agriculture, also called farming or husbandry, is the cultivation of animals, plants, fungi and other life forms for food, fibre and other products used to sustain life. Human beings have practiced agriculture for thousands of years that not only sustain life in the earth but also greatly contribute to the civilization of human beings. Health is a goal and also precondition of human development, which is well reflected by the MDGs in which almost all development goals are health or health-related ones. Agriculture and health have intrinsically close links that have been increasingly understood in the last decades.

At present, agriculture still employs around 50% of population in the world. In developing countries of Asia where agriculture is the main livelihood for many people, the proportion is higher than this. Furthermore, the links between agriculture and health in Asia have been manifested by the endemics of several emerging infectious diseases, for example, Avian Influenza (AI), SARS and Nippon Virus. Thus, there is a desperate need for human resources who have the knowledge and skills of agriculture and health and are able to deal with the health risks associated with agriculture in this region. Despite the green revolution that brought in many techniques into agriculture practices, some traditional agricultural activities such as shifting cultivation are still practiced in certain parts of Asia. The co-existence of different agricultural practice patterns presents a

rich and diverse field for further understanding of the links between agriculture and health. This module is part of the program “field building leadership initiative: advancing ecohealth in Asia”, in which the main topic for the research component is agricultural intensification and health, thus it is essential to include this topic in the training manual. Finally, but not least importantly, the current curriculums of both medical/public health universities and agriculture universities in this region contain very little information on this important topic. Therefore, a module on this topic will definitely fill out gaps in current teaching in universities in Asia.

## 2. Conceptual map of this module



Conceptual map of the module on agriculture and health

## 3. Aims and goals of module

The aims and goals of this module are to expose participants to the multiple, diverse and dynamic links between agriculture and health, by introducing a few key conceptual frameworks and practical examples, conducting in-depth case studies and group discussion etc., so as to equip participants with new insights on the

connections between agriculture and health and to allow them to be able to design teaching/training on this topic and to conduct research in this important area from an ecohealth perspective.

#### **4. Key concepts and questions**

Agriculture is a very broad field that covers many different practices, patterns and technologies while the concept of health also embodies a wide range of issues that are affected by many biological, ecological and social determinants. In order to be able to understand the links between agriculture and health and be able to develop capacity of dealing with health problems associated with agriculture, both the trainers and participants need to have some basic knowledge about the two fields. Given the fact that current curriculum of medical universities has little content about agriculture, while the textbooks of agriculture and other universities offer little information about human health, the participants, who probably come from the two kinds of schools, may not have basic knowledge about agriculture or health, thus it is essential for them to learn basic knowledge about agriculture and/or health. Some key concepts should be the foundation for this module that include but not limited to: subsistence farming, green revolution, agricultural intensification, animal husbandry, zoonotic diseases, sustainable agriculture, food safety and security, the health of environment and ecosystem.

There is a strong interaction and connections between agriculture and health that need to be better understood thoroughly, by all people and by young generation in particular. Various evidence of animal disease outbreaks which then infect humans and cause death of people become more available for all of us to learn. Agricultural intensification for instance, has brought numerous benefits to society such as improved food security and nutrition and export-oriented production. At the same time, it has also negatively affected the natural resource base, that supports productive capacity in farming areas, and is often a causal factor



with regard to human and animal health problems. The impacts of agricultural intensification, coupled with climate change, pose critical problems for ecosystems and human health at local, regional and global levels. In Southeast Asia, the “Green Revolution” started in the 1960s which promoted the widespread use of high yielding varieties, requiring high inputs of inorganic fertilizers, pesticides, herbicides, fungicides and water to boost productivity. Although it has contributed substantially to meeting the growing demand for food over the past half century, it has also led to serious environmental and human health consequences.

Intensified livestock development has also been occurring in Southeast Asia countries since the last three decades, which largely improves diet and nutritional status of people but also causes health and environmental problems. With increasing income and demand for meat, dairy and egg products, livestock has become the fastest growing component of the agricultural sector. This in turn has led to structural changes in livestock production – from subsistence systems to intensive, commercial production systems. Livestock intensification is characterized by high-input practices, including the use of industrial feeds, which cause both environmental and public health problems, while also neglecting the needs of poor farmers who still rely on subsistent livestock production.

According to the World Health Organization (WHO), about 75% of new diseases affecting humans over the past decade have been caused by pathogens originating from animals or animal products (WHO 2011). This can be affected by how livestock are managed in industrialized systems, which can potentially increase risks for human health. Zoonotic emerging infectious diseases threaten human, animal and environmental health, representing one-quarter of the overall infectious disease burden in least developed countries (Grace et al. 2010). However, the positive effects of livestock intensification also need to be considered, such as: reducing the price of protein for consumers as well as improving bio-security and disease control measures on well-managed farms, which reduce the risk to human health. Therefore, a comprehensive and systematic understanding

of the interactions between agriculture and health should be one of the major learning objectives for the participants.

Several key themes are selected for in-depth case studies for the participants to develop the needed knowledge and capacity, they are:

- Crop plantation and health: this will cover important and relevant issues such as pesticide and fertilizer using as well as food safety.
- Livestock rearing and health: this will cover issues such as zoonotic diseases, emerging infectious diseases and food safety
- Agricultural water development projects and health: covering water related and water borne diseases such as malaria, *Schistosomiasis* etc.
- Agroforestry, agro-biodiversity, nutrition and health that will cover food security, food safety, nutrition etc.

Trainers can provide the following guiding questions to the participants at the very beginning of this module, in order to encourage participants to explore answers during the learning process.

- What are the conceptual frameworks that can help us to better understand the links between agricultural practices and the health of human, animal and ecosystem?
- What are the practical and theoretical connections between agriculture and human health?
- What are some of the skill sets required to approach agricultural issues using an ecohealth lens?
- What are the major agricultural practices in the place where you live?
- What kind of implications, both positive and negative of these practices have or potentially have for the health of people, animal and the ecosystems?
- What are the practical solutions to address negative impacts from an ecohealth perspective?
- How to design a research project on agriculture and health that uses an ecohealth approach?

#### **4.1. Basic participants learning objectives**

- Be able to explain the multiple, diverse, dynamic and complex links between agriculture and health
- Understand the case studies that used an ecohealth approach and be able to draw experience and lessons through the analysis of these case studies
- Develop capacity to approach agricultural and health issues with an ecohealth perspective that include systems thinking, transdisciplinarity research, participation, sustainability, gender social equity and knowledge to action.

#### **4.2. Advanced Student learning objectives**

- Be able to identify key issues on agriculture and health in various contexts via an ecohealth approach
- Be able to design ecohealth research project on agricultural and health
- Be able to learn to work with different stakeholders who have different discipline training backgrounds in a transdisciplinary manner to address agriculture-related health issue via an ecohealth approach

#### **4.3. Practical notes**

Since this module covers two very broad fields, namely agriculture and health, it puts high requirements for the trainers. At least two trainers are needed for this module. Ideally, trainers should have rich knowledge and experience in agriculture and health and have experiences in doing ecohealth research on this topic. In reality, it may be difficult to find such trainers. Thus, trainers should have a background in agriculture or health, or in a field related to agriculture, and have participated in various intensive training of ecohealth, and have training or teaching experience. It would be better that the disciplinary backgrounds of the two trainers are mutually complemented, for example one trainer has a public health background while another one has an agriculture background.

Trainers should also have good facilitation skills and be able to act as facilitators, which is important for adult learning. Co-teaching of the two trainers would be beneficial to participants. However, in reality, it is hard to find trainer with an agriculture background in a medical university and vice versa. In this case, the trainers should prepare themselves in advance by reading more books and papers on agriculture or health so as to fill out the knowledge and skill gaps.

For the participants, it is highly desired that the participants with diverse discipline backgrounds including agriculture science, public health, ecology, and social science etc. 20 to 25 participants are the ideal number for a participatory training. This number of participants will allow better sharing and exchanging of information and experiences among participants. But in reality of teaching in the context of universities, the number of students in a class can be larger than 25, which will put constraint in using small group discussion and lecturing may be used to do the teaching.

This module is not stand alone but highly related to other modules. In fact, other modules such as the introduction of ecohealth, the modules on participation, disease ecology, transdisciplinarity research and system thinking lay down the basis for this module and actually this module provides a chance for the participants to apply for what they have learnt in other modules to a specific arena. This has two implications for teaching this module: first other modules should be taught before teaching this module, at least the 'introduction of ecohealth' should be taught before teaching this one. Second, the trainers of this module should familiar with the overall contents of all modules and particularly familiar with the contents of agriculture and health

This module will start with a broad overview on the connections between agriculture and health, and then go to the specific case studies. The module can be used as a complete package, but it can be also tailored to fill into teaching time slot, for example, the introduction part or case studies can be taken out to teach a separate session on agriculture and health through an ecohealth approach.

In teaching this module, the following resources are needed:

- A training room that can accommodate 25 -30 people and can allow small group work
- An overhead projector
- Flipcharts, white papers and mark pens
- Handouts of case study materials and presentations

This module is designed to deliver within one day in the situation of a 5-7 day training course. However, this module can also be tailed into small sessions to fill into the teaching time slot.

#### 4.4. Notes about Case Study

Case study is an important learning activity in this module and it provides real sceneries for the participants to learn how ecohealth approaches can be or may be applied for in reality to understand and solve health problems associated with agriculture. Several case studies or stories are provided in this module that try to cover the identified key agriculture and health issues in this region, namely crop plantation and health; livestock rearing and health; agricultural water development projects and health; agroforestry, agro-biodiversity, nutrition and health etc. Some case studies were research projects conducted by using an ecohealth approach while some were not undertaken from an ecohealth perspective; both are good learning materials for participants. All case studies/stories are from Asia and trainers can select two or four case studies to teach this module. It is important that trainers should be familiar with these case studies so as they can provide additional information when it is needed during the training. The following is the titles and a very brief introduction of the provided case studies:

- *Improving Environmental Sanitation, Health, and Well-Being: A Conceptual Framework for Integral Interventions. EcoHealth, DOI: 10.1007/s10393-009-0249-6. This is a paper published in the Journal of Ecohealth. This paper introduced an ecohealth framework and applied for the framework in three case studies located respectively in Vietnam, Thailand and West Africa (Co^ te*

d'Ivoire). It may be hard for the trainees to read and understand this academic paper. In this case trainers can simplify the text and tailor it into short and easy to understand story for using in the training.

- *Water Management Challenges in the Context of Agricultural Intensification and Endemic Fluorosis: The Case of Yuanmou County. EcoHealth, DOI: 10.1007/s10393-011-0730-x.* This is a paper based on an ecohealth research project conducted in Yunnan Province of China. This paper used water as a main line to link up with a number of important health issues associated with agriculture intensification.
- *Insecticide use and increased mortality in rural central Luzon, Philippines, Michael, E. Loevinsohn, The Lancet, June 13, 1987.* This is a paper published in the journal of Lancet more than twenty years ago, but the problem reflected by this paper remains in many parts of Asia, therefore it is still relevant. The paper was about pesticide using and its health consequence and was written from the perspective of epidemiology. Although the paper was not written from an EcoHealth perspective, the trainers can use this paper to facilitate the discussion about the possible research if an EcoHealth approach is used.

#### **4.5. Evaluation**

Various methods can be used to evaluate the learning of participants. For example, simple quiz can be used to test whether participants understand the links between agriculture and health. Open-ended questions can be distributed to participants to obtain their any reflection on this module. Other participatory evaluation methods can be also used to do the evaluation. Trainers should select those methods based on their experience and needs

#### **4.6. Reading lists:**

##### **4.6.1. Essential reading list:**

Hawke C and MT. Ruel, 2010. Understanding the links between agriculture and health, international food policy research institute 2010 focus 13. "For sustainable architecture, think

bug". NewScientist. Retrieved 2010-02-26.

Sanborn M; D. Cole; K. Kerr; C. Vakil; LH Sanin; K Bassil, 2008. Systematic Review of Pesticide Human Health Effects. [www.oregon.gov/odf/board/docs/april\\_2008/a\\_att\\_17.pdf](http://www.oregon.gov/odf/board/docs/april_2008/a_att_17.pdf)

#### **4.6.2. Further reading list:**

- [1] Michael . E. Loevinsohn, insecticide use and increased mortality in rural central Luzon, Philippines, the lancet, June 13, 1987.
- [2] Pesticide Action Network Asia and the Pacific (PAN AP), 2010, communities in Peril: Global report on health impacts of pesticide use in agriculture.
- [3] Penny Fenner-Crisp, EPA, Retired; Carl L. Keen, University of California; Davis, Jason Richardson, Robert Wood Johnson Medical School; Rudy Richardson, University of Michigan, Karl Rozman, University of Kansas, 2010, A Review of the Science on the Potential Health Effects of Pesticide Residues on Food and Related Statements Made by Interest Groups.
- [4] Grace Carswell, agricultural intensification and rural sustainable livelihoods, a think piece, IDS Working Paper 64.

### **4.7. Attachment**

#### **4.7.1. Terminologies**

##### **4.7.1.1. Subsistence farming**

Subsistence farming is when farmers make only enough crops for themselves and family. They come across different problems to commercial farmers, for instance a rise in the price of fuel would not affect them, they would come across problems like droughts and being sick for a few days etc. Subsistence farming is a small farm usually 1-3 acres of land. These farms have simple tools, (example) hoes, machete and digging stick. The work done in a subsistence farm is done by the farmer and his family and the produce is eaten by the farmer and his family.<sup>1</sup>

<sup>1</sup> Accessed from: ([http://wiki.answers.com/Q/What\\_is\\_subsistence\\_farming](http://wiki.answers.com/Q/What_is_subsistence_farming))

### 4.7.2. Green revolution

Great increase in production of food grains (especially wheat and rice) that resulted in large part from the introduction into developing countries of new, high-yielding varieties, beginning in the mid-20th century. Its early dramatic successes were in Mexico and the Indian subcontinent. The new varieties require large amounts of chemical fertilizers and pesticides to produce their high yields, raising concerns about cost and potentially harmful environmental effects. Poor farmers, unable to afford the fertilizers and pesticides, have often reaped even lower yields with these grains than with the older strains, which were better adapted to local conditions and had some resistance to pests and diseases.<sup>2</sup>

### 4.7.3. Agricultural intensification/intensive farming

The cultivation of land where there are very high inputs of labour, fertilisers, pesticides, herbicides, fungicides, to obtain the maximum output. Examples include mono cropping (plantations) of coffee, tea, or cattle ranching in Amazonia, etc.

Intensive farming or intensive agriculture is an agricultural production system characterized by the high inputs of capital, labour, or heavy usage of technologies such as pesticides and chemical fertilizers relative to land area.

This is in contrast to many sorts of sustainable agriculture such as organic farming or extensive agriculture, which involve higher inputs of labor, and energy relative to the area of land farmed, but focus on maintaining the long-term ecological health of the farmland, also the product which is being produced is generally produced with fewer synthetic chemicals.

Modern day forms of intensive crop based agriculture involve the use of mechanical ploughing, chemical fertilizers, plant growth regulators or pesticides. It is associated with the increasing use of agricultural mechanization, which has enabled a substantial increase in production, yet has also dramatically increased environmental pollution by increasing erosion and poisoning water

<sup>2</sup> Assessed from: (<http://www.answers.com/topic/green-revolution>).  
Norman Borlaug. Read more: <http://www.answers.com/topic/green-revolution#ixzz1pqI4VNe1>



with agricultural chemicals.

Intensive animal farming practices can involve very large numbers of animals raised on limited land which requires large amounts of food, water and medical inputs (required to keep the animals healthy in cramped conditions). Very large or confined indoor intensive livestock operations (particularly descriptive of common US farming practices) are often referred to as factory farming and are criticized by opponents for the low level of animal welfare standards and associated pollution and health issues<sup>3</sup>.

#### **4.7.4. Animal husbandry**

Animal husbandry is the agricultural practice of breeding and raising livestock. Animal husbandry has been practiced for thousands of years, since the first domestication of animals.

In more modern times, the cowboys of North America, charros of Mexico, or vaqueros, gauchos, huasos of South America, and farmers or stockmen of Australia tend their herds on horses, all-terrain vehicles, motorbikes, in four-wheel drive (4WD) vehicles and helicopters, depending on the terrain and livestock concerned.

Today, herd managers often oversee thousands of animals and many staff. Farms, stations and ranches may employ breeders, herd health specialists, feeders, and milkers to help care for the animals.<sup>4</sup>

#### **4.7.5. Zoonotic diseases**

Any disease or infection that is naturally transmissible from vertebrate animals to humans and vice-versa is classified as a zoonosis according to the PAHO publication "Zoonoses and communicable diseases common to man and animals". Over 200 zoonoses have been described and they have been known for many centuries. They are caused by all types of agents: bacteria, parasites, fungi, viruses and unconventional agents.<sup>5</sup>

#### **4.7.6. Sustainable agriculture**

Sustainable agriculture is the practice of farming using

3 Accessed from : ([http://en.wikipedia.org/wiki/Intensive\\_farming](http://en.wikipedia.org/wiki/Intensive_farming))

4 Accessed from ([http://en.wikipedia.org/wiki/Animal\\_husbandry](http://en.wikipedia.org/wiki/Animal_husbandry))

5 Accessed from (<http://www.who.int/zoonoses/en/>)

principles of ecology, the study of relationships between organisms and their environment. It has been defined as “an integrated system of plant and animal production practices having a site-specific application that will last over the long term:

- Satisfy human food and fiber needs
- Enhance environmental quality and the natural resource base upon which the
- agricultural economy depends
- Make the most efficient use of non-renewable resources and on-farm resources and
- integrate, where appropriate, natural biological cycles and controls
- Sustain the economic viability of farm operations
- Enhance the quality of life for farmers and society as a whole.”<sup>6</sup>

#### **4.7.7. Food safety**

Food safety is the utilization of various resources and strategies to ensure that all types of foods are properly stored, prepared, and preserved so they are safe for consumption. Practicing this level of food sanitation begins with the purchase or acquisition of different food items and ends with the proper storage of leftovers for future use. Many of the food safety methods used in restaurants can also be employed at home. Here are some examples.

One of the most important aspects of practicing food safety involves preventing foods from becoming contaminated. Making sure foods are stored properly goes a long way in avoiding any type of food contamination. Meat and vegetables should be placed in airtight containers and placed in a freezer. Items such as flour, sugar, cornmeal, and spices should also be stored in containers that provide an effective barrier to airborne bacteria, and can be stored in pantries when not in active use.

Basic kitchen sanitation guidelines are also an important component of any food safety strategy. Preparation counters should be disinfected regularly. Cutting boards should also be cleaned

<sup>6</sup> [http://en.wikipedia.org/wiki/Sustainable\\_agricult](http://en.wikipedia.org/wiki/Sustainable_agricult)

after each use. Knives, spatulas, pans, pots, and other tools used in the preparation of food should be washed in hot soapy water or run through a dishwasher. This can help minimize the opportunity for food residue to breed bacteria that could contaminate food the next time the tools are used. <sup>7</sup>

#### **4.7.8. Food security**

Food security refers to the availability of food and one's access to it. A household is considered food-secure when its occupants do not live in hunger or fear of starvation. According to the World Resources Institute, global per capita food production has been increasing substantially for the past several decades. In 2006, MSNBC reported that globally, the number of people who are overweight has surpassed the number who are undernourished – the world had more than one billion people who were overweight, and an estimated 800 million who were undernourished. According to a 2004 article from the BBC, China, the world's most populous country, is suffering from an obesity epidemic.[3]-In India, the second-most populous country in the world, 30 million people have been added to the ranks of the hungry since the mid-1990s and 46% of children are underweight.

Worldwide around 925 million people are chronically hungry due to extreme poverty, while up to 2 billion people lack food security intermittently due to varying degrees of poverty (source: FAO, 2010). Six million children die of hunger every year – 17,000 every day.-As of late 2007, export restrictions and panic buying, US Dollar Depreciation, increased farming for use in biofuels, world oil prices at more than \$100 a barrel, global population growth, climate change,-loss of agricultural land to residential and industrial development, and growing consumer demand in China and India are claimed to have pushed up the price of grain.

However, the role of some of these factors is under debate. Some argue the role of biofuel has been overplayed as grain prices have come down to the levels of 2006. Nonetheless, food riots have

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<sup>7</sup> Accessed from: (<http://www.wisegEEK.com/what-is-food-safety.htm>)

recently taken place in many countries across the world.<sup>8</sup>

#### **4.7.9. The health of ecosystem.**

Ecological health or ecological integrity or ecological damage are the symptoms of an ecosystem's pending loss of carrying capacity, its ability to perform ecological services, or a pending ecocide, due to cumulative causes such as pollution. It can also be defined in regards to farming so as to minimize the negative effects of agricultural practices. The term health is intended to evoke human environmental health concerns, which are often closely related (but as a part of medicine not ecology). As with ecocide, that term assumes that ecosystems can be said to be alive (see also Gaia philosophy on this issue). While the term integrity or damage seems to take no position on this, it does assume that there is a definition of integrity that can be said to apply to ecosystems. The more political term ecological wisdom refers not only to recognition of a level of health, integrity or potential damage, but also, to a decision to do nothing (more) to harm that ecosystem or its dependents. An ecosystem has a good health if it is capable of self-restoration after suffering external disturbances. This is termed resilience.

Measures of ecological health, like measures of the more specific principle of biodiversity, tend to be specific to an ecoregion or even to an ecosystem. Measures that depend on biodiversity are valid indicators of ecological health as stability and productivity (good indicators of ecological health) are two ecological effects of biodiversity. Dependencies between species vary so much as to be difficult to express abstractly. However, there are a few universal symptoms of poor health or damage to system integrity:

- The buildup of waste material and the proliferation of simpler life forms (bacterial, insects) that thrive on it - but no consequent population growth in those species that normally prey on them;
  - The loss of keystone species, often a top predator, causing smaller carnivores to proliferate, very often overstressing herbivore populations;
  - A higher rate of species mortality due to disease rather than
- 8 Accessed from: ([http://en.wikipedia.org/wiki/Food\\_security](http://en.wikipedia.org/wiki/Food_security))

predation, climate, or food scarcity;

- The migration of whole species into or out of a region, contrary to established or historical patterns;
- The proliferation of a bioinvader or even a monoculture where previously a more biodiverse species range existed.

Some practices such as organic farming, sustainable forestry, natural landscaping, wild gardening or precision agriculture, sometimes combined into sustainable agriculture, are thought to improve or at least not to degrade ecological health, while still keeping land usable for human purposes. This is difficult to investigate as part of ecology, but is increasingly part of discourse on agricultural economics and conservation.

Ecotage is another tactic thought to be effective by some in protecting the health of ecosystems, but this is hotly disputed. In general, low confrontation and much attention to political virtues is thought to be important to maintaining ecological health, as it is far faster and simpler to destroy an ecosystem than protect it - thus wars[clarification needed] on behalf of ecosystem integrity may simply lead to more rapid despoliation and loss due to competition. See scorched earth and Easter Island Syndrome.

Deforestation and the loss of deep-sea coral reef habitat are two issues that prompt deep investigation of what makes for ecological health, and fuels a great many debates. The role of clear cuts, plantations, and trawler nets is often portrayed as negative in the extreme, held akin to the role of weaponson human life.<sup>9</sup>

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<sup>9</sup> Accessed from: [http://en.wikipedia.org/wiki/Ecological\\_health](http://en.wikipedia.org/wiki/Ecological_health)

RELIGION

# RELIGION

C H A P T E R V I

RELIGION



MORAL INTEGRITY THROUGH RELIGIOUS-  
BASED EDUCATION: THE ROLE OF RELIGIOUS  
EDUCATION IN COMBATING CORRUPTION

# Eradicating Corruption With Religion: Tiger without Claws

Drs. Jamalludin Sitepu, M.A.

## Abstract

*Most religions, including Islam, teach integrity, morality, and anti-corruption. In Islam, there are many teachings and preaches which forbid stealing, cheat, dishonesty, and corruption. For example, in Qur'an surah Al-Baqarah: 188, Allah command: "And do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful]." Also in one Hadith, Prophet Muhammad said "May the Curse of Allah be upon the briber, the bribe recipient, and the mediator between them."*

*Those values of integrity, morality, and anti-corruption are socialized among Moslems since their childhood. This socialization takes place in home, schools, mosques, and markets. State leaders and informal community leaders are together to implant these values. Radio, television, mobile phones, and videos are media for this awareness-raising.*

*However, those steps of socialization and awareness-raising against corruption are finding rocks when implemented in social and formal relations. Constitutionally, Indonesia is not based on a particular religious faith. Practically, Islam is just an ethical guidance with no legal punishment for people who corrupt. So, Islam does not exert much influence on anti-corruption practices. To make it more ineffective, competition for scarce resources in economic, social, and political dimensions, in corrupt and unjust state system, make Moslems surrender to instant self-enrichment. Many are trapped in such a situation "Right Man in the Wrong Place and Wrong Time".*

**Key words: islam, integrity, anti-corruption, unjust state system**

## 1. Introduction

My career as an Instructor/Trainer at the Islamic Students Association (Himpunan Mahasiswa Islam/ HMI) Branch of Binjai, started in the late 1992. After graduating from International Relations Department at the University of Gadjah Mada, Yogyakarta in 1991, I returned to North Sumatra and then involved in training university and high school students.

My involvement in HMI started in 1988 when I was trained in Basic Training by HMI Branch of Yogyakarta. I completed Intermediate Training in 1989 in Yogyakarta, and my Senior Course was done in 2000 in Binjai. As a student, I was not active in HMI of Yogyakarta. Instead, I was socializing with students with many different ideologies, such as Catholic, Protestant, Socialist, Communist, and Atheist.

As HMI instructor/trainer, started in the late 1990s, I trained students in Binjai and Langkat on Islamic Ethics, Philosophy, and Cadre Identity Value (NIK= Nilai Identitas Kader) which then changed into Struggle of Core Values (NDP= Nilai Dasar Perjuangan). However, what is taught on the training ground is not always able implemented by HMI trainees in reality. Challenges, which are coming from inside and outside, are so heavy. Many stay clean, but many fail.

## 2. Methodology

This paper is solely based on qualitative research, it aimed to obtain nuanced descriptions from the different qualitative aspects of the life world; it works with words and not with numbers (Kvale, 1996: 32). David and Sutton (2004: 35) added that qualitative research usually emphasizes words rather than quantification in the collection and analysis of data. In writing this paper, the author used three data gathering techniques:

### 2.1. Literature Review

Barakat, Chard, Jacoby, and Lume (2002: 997) highly recommend

a relevant literature review. The theoretical aspect of a study should draw on points that may have been raised in the literature from which a synthesis for an alternative analytical framework may be developed, integrating various theories on local circumstances and their applicability to a particular case.

## **2.2. Interview**

Interviews with other HMI instructors, trainers, and seniors regarding degrading HMI stance and status among university students have been done long before this paper is written. It is based on concerns that many HMI members and leaders have problems with law enforcement and tend to corrupt by giving political supports to corrupt government officials and political party leaders,

## **2.3. Online Internet Searching**

As a person who lives in a village and far from city, collecting information from internet is very helpful. Even though the author is only able to collect a small portion of data, this technique nowadays is developing as online publication grows significantly. As for Qur'an translation into English, the author relies heavily on online translation, especially on [www.quran.com](http://www.quran.com).

## **2.4. Triangulation**

According to Bryman (2004: 275), triangulation entailed using more than the method of source of data in the study of social phenomena. Different books or publication or persons can have different, even conflicting, arguments. This is where triangulation is important in verifying conflicting information collected by the author.

# **3. Research Result**

## **3.1. Definition**

It is believed that there is no specific term of corruption in Islam. However, Ahmad Baidowi (2009: 145-147) comprehensively categorizes some terms in Qur'an as corruption, such as:

- 1) "Ghulul". According to Baidowi (2009), "ghulul" means stealing. Quoted by Baidowi (2009), Deeb al-Kudrawi in Dictionary of Al-Alfadh al-Islamiyah defines "ghulul" as stealing from the war booty before its distribution. In Qur'an surah Ali Imran: 161. "It is not for any Prophet to take illegally a part of booty (Ghulul), and whosoever deceives his companions as regards the booty, he shall bring forth on the Day of Resurrection that which he took (illegally). Then every person shall be paid in full what he has earned, and they shall not be dealt with unjustly".
- 2) "Risywah". It is interpreted as bribery. In another hadiths, Prophet Muhammad said "May the Curse of Allah be upon the briber, the bribe recipient, and the mediator between them." (H.R. Al-Hakim). In Qur'an Al-Baqarah: 188, it is also stated: "And do not consume one another's wealth unjustly or send it [in bribery] to the rulers in order that [they might aid] you [to] consume a portion of the wealth of the people in sin, while you know [it is unlawful]".
- 3) "Al-Suht". It is also referred as bribe. This term is in Qur'an in Al-Maidah: 42 which reads "(They like to) listen to falsehood, to devour anything forbidden. So if they come to you (O Muhammad), either judge between them, or turn away from them. If you turn away from them, they cannot hurt you in the least. And if you judge, judge with justice between them. Verily, Allah loves those who act justly."
- 4) "Al-Hirabah". It is a robbery. In Qur'an in Al-Maidah: 33, it reads "The recompense of those who wage war against Allah and His Messenger and do mischief in the land is only that they shall be killed or crucified or their hands and their feet be cut off on the opposite sides, or be exiled from the land. That is their disgrace in this world, and a great torment is theirs in the Hereafter."
- 5) "As-Saraqah". It means stealing somebody's wealth secretly and unlawfully. It refers to Qur'an in surah Al-Maidah: 38 which reads "Cut off (from the wrist joint) the (right) hand of the thief, male or female, as a recompense for that which they committed, a punishment by way of example from Allah. And Allah is All-Powerful, All-Wise".

- 6) "Ghasab". It means robbing somebody's wealth cruelly or taking somebody's wealth and having no intention to return it. It refers to Qur'an in Surah Al-Kahfi: 79 which reads "'As for the ship, it belonged to *Masakin* (poor people) working in the sea. So I wished to make a defective damage in it, as there was a king after them who seized every ship by force".
- 7) "Khasr and Bakhs". It means cheating. It refers to Qur'an in Surah Al-Muthafifin: 1-3 which reads "Woe to *Al-Mutaffifin* [those who give less in measure and weight (decrease the rights of others)], Those who, when they have to receive by measure from men, demand full measure, And when they have to give by measure or weight to men, give less than due." And Al-Syu'ara: 183 which reads "'And defraud not people by reducing their things, nor do evil, making corruption and mischief in the land."

In Additiony, Ibn Qudamah quoted by Wahid (2013), stated that eating "haram" food is identical with corruption. Helmy Ali (2013) also includes betrayal of trust as corruption. He refers to Qur'an Surah An-Nisa 58," Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Excellent is that which Allah instructs you. Indeed, Allah is ever hearing and seeing".

### **3.2. Intellectual Corruption**

In its development, the meaning of corruption then widens. It is not only dealing with economic or political dimensions. But also it deals with intellectual perspective that is intellectual corruption. Many call it as plagiarism (Setiyaji, 2010: 324-326).

The author sees that plagiarism among students in Binjai and Langkat has been reaching an alarming state. Many university students are lazy or not confident to write a thesis. They just pay some body write it for them. And "somebody" could be their lecturer. It is totally corruption.

To sum it, In Al-Qur'an and Hadits, there are many Islamic teachings which abhor corruption and encourage integrity. And in

HMI, as Qur'an and Hadits are guiding principles, I train university students on integrity and ways to implement them. Qur'an is food and Hadits is drink.

#### 4. Socializing Integrity

In one book, Adz-Dzakiey (2005: 3-48) describes comprehensively on how Muslims can socialize integrity within and among themselves. Below is his description:

1) Pre-wedding period: Choosing "right bride".

In Islam, socializing integrity for a man or woman even starts when she/he is not born, yet. It begins with their parents when their father and mother are seeking for bride and bridegroom. It is not wealth, status, or beauty which determines first, but integrity: in the concept of "iman and taqwa".

According to Prophet Muhammad, there are four reasons why you choose a bridegroom. First, because of her beauty. Second, because of her wealth. Third, because of her status. Fourth, because of her integrity. However, integrity is the best reason why you choose a bride. Because with integrity, later you can have wealth, status, and beauty.

2) Wedding party

When you are holding a wedding party, make sure that all money used are coming from "halal" activities. Money which comes from "halal" activities could harm the sanctity of marriage. Consequently, it will lead to bad marriage and bearing bad children.

In wedding party, it is also forbidden to hold activities which are considered "haram" such as striptease dance or activities which invite evils. It is feared that it will dirt incoming baby.

4) "Halal food and drink"

Serving "halal food and drink" is important in forging integrity into incoming baby. "Halal food and drink" will make a baby healthy physically and will make him/her easy to learn Qur'an and clean from sins and corruption. "Haram food and drink" will make him/her difficult to understand Qur'an and will make him/her easy to do bad things.

5) "Guided sex"

In Islam, sex is not only for raising children or joy. It is very much related how to bear a clean baby. Moslems have to start with "Bismillah" and prayer to drive evil away. By doing this, it is hoped that the baby later will be far away from doing evil things.

7) "Azan" on the right ear and "Iqamah" on the left ear.

Listening to "azan" on the right ear and "iqamah" to the left ear for a just-born baby means the first sound the baby hears is the greatness of Allah, not other sounds. It is hoped later that the baby will only follow right sounds.

8) Giving good name

Giving a good name for baby is meant to pray that the baby will grow to become a good person. On the contrary, giving bad names are forbidden as it is feared that it will affect the baby's mentality.

9) Breast feeding

In Islam, breastfeeding is recommended for a baby until 2 years. Medically, breastfeed is full of nutrients, and psychologically, it will create stronger bond between a mother and the baby. If the mother lacks of good breastfeed, the parents could hire somebody to breastfeed the baby. But, it must be firstly clear that the she is a good woman.

10) Khitan (Circumcision)

For a growing boy, aged 9-13, the boy has to undergo circumcision process. Medically, it is meant to clean the boy. Religiously, it is meant to clean the boy from "najis".

11) Religious education

In juvenile age, parent must socialize religious regulation to their children. It is meat to educate the children about morality, integrity, and responsibility. In this stage, HMI plays a role, educating university students.

## 5. Challenges

### 5.1. Internally

It has been clear form the outset that in Islam integrity teaching has been started even when a baby is not born yet. It begins with



choosing the right bride/bridegroom, holding a clean and respectful wedding party, having guided sex, serving "halal food and drink", two-years breastfeeding, and religious education. Shortly, it is the most comprehensive integrity socialization.

However, that is all theoretical. In practice, the case could be different. Day to day activities could harm religious socialization. Who perceived to be religiously pious can do wrong and sinful. Tauhid Nur Azhar abd Eman Sulaiman describe is as eroded faith and hypocritical religiosity (Azhar and Sulaiman, 2007: 149-150).

Karazkani (2005: 103-117) argued that Moslems fail to obey Qur'an and Hadits because they love this world more than "akhirat", eternal life after death. There are three reasons why Moslems love the world more than "akhirat", they are arrogance, greed and envy.

That is to explain why many perceived religious persons are jailed for corruption. Another example is people are surprised when Corruption Eradication Commission (KPK) set Lufti Hasan Ishaq, the President of Prosperous Justice Party (PKS), one of outstanding Islamic Political Party, and Anas Urbaningrum, former Chairman of the Association of Islamic Students (HMI), as suspects. In Langkat, many Hajj, the ones who have done pilgrimage to Mecca and Madinah, are taken into jail for corruption and embezzlement. I am sure readers can suggest a longer list of such a case.

Next is a question why perceived religious persons can be corrupting which is forbidden by their own religion. In HMI, inside training, there is no problem with teaching and implementing integrity and anti-corruption. Trainees understand what are taught and there is no denial that integrity and anti-corruption are core values of Islam.

However, the challenges for HMI are outside training location. As a very big organization for students, many political leaders and government officials are tempted to co-opt, mobilize, and manipulate HMI for their own vested interests, They lure HMI leaders by giving money, projects, or high positions after, even before, HMI leaders completed their period in HMI. Many HMI activists and instructors told me that Congress of HMI were often contaminated by money

politics distributed by political leaders or government officials eager to co-opt, control, and manipulate HMI, usually for political support. Supposed to be an ultimate forum for updating training curricula and designing populist programs, congress much turned into competing ground for electing general chairman of HMI only. In the mayhem of gambling crisis in North Sumatra in 2000, some gambling mafias also tried to co-opt HMI leaders as HMI often held demonstrations to protest gambling.

This story is the same when they are back in their branch in their home town. New problem arises. HMI leaders with economic and power greed motivation will easily fall to corruption trap. These leaders, whom I called "opportunist HMI leaders" will then influence HMI members to join their ranks, securing wealth and position from particular political leaders and government officials. From my own experiences and discussion with other HMI instructors and trainers, this kind of HMI leaders usually are able to rally significant supports among HMI members on the grass root.

This is situation is, of course, not accepted by other factions within HMI. They see co-optation, mobilization, and manipulation of HMI by particular political leaders and government officials could endanger HMI's independence and idealism, and in turn, integrity and anti-corruption movement. Those people, whom I called "HMI's idealistic leaders, instructors and trainers, stay neutral and defend HMI as a training ground for people who want dignity and respect in their lives. They are ready to die in poverty if clean and "*halal*" ways to richness and success are blocked.

## **5.2. Externally**

Why is external environment so detrimental to integrity and anti-corruption? The answer is structural. Here are my explanations:

### **1) Poverty and Economic Injustice**

Many good Muslims are stumbling blocks and surrender to corruption, against their religious faith, because of economic reasons. They are poor and want to be rich. To achieve that with right paths are almost impossible. The economic system for long

has been co-opted by capitalist system which does not give opportunities for the poor. Banks only lend money to the rich and the corrupt. The rich tend to hold on their power through political, social, economical, and judicial instruments. What supposed to be a socialist state, in practice, it is a primitive capitalism which once existed in North America and West Europe. In short, vertical mobilization has been blocked

If you choose the right path, it means you have to more patient and hunger-proof. You can still achieve what you want, but you have to be waiting for sometime and the right moment until Allah decides your destiny to be rich and powerful. There is no escape door.

However, that is the problem. Not all or many people are patient enough to wait for that time to come. Instead of being patient and staying on the straight path (*shirattal mustaqim*), many Moslems are surrendering to evils and do "*haram*" things. Religious values which have been implanted for long are erased in a short time. They love more material wealth (*hubud dunya*) rather than the mercy of Allah.

## 2) Secular political system.

Many Moslems are confused to see how secular political system in Indonesia. There is no "*haram* and *halal*" boundary. Politics only deal with how you get the power and how you maintain it. Mostly, it is Machiavelli's. You can buy votes and pay officers which manage voting system.

It is exacerbated by the fact that the political party system is still dominated by dynasty politics. Just observing how PDIP (Struggle Indonesian Democracy Party) is dominated by Sukarno kinship and oligarchy, Democrat Party by Susilo Bambang Yudhoyono, and PKS (Prosperous justice party) by Hilmi Aminuddin. Vertical mobilization through political party system is not running well. Dominant and ruling political parties prevent new political parties from growing by using Election Law. Growth of newly young and clean political leaders is almost Non-existent.

### 3) Weak Law Enforcement in judicial system.

In their childhood time, many Muslim are taught about Islamic Law which forbids them to do sins. However, as they grow up, many values of Islamic Law are then substituted by national law or regional regulation which is secular in essence. Many Moslems are not ready to obey 2 laws which are in many times on the contrary each other. For example, in Islamic law it is stated that it is forbidden to steal and cheat because Allah see you. However, in National Law, it is not easy to sue somebody stealing from you if nobody witnesses it and no evidence.

This is exacerbated by the fact that many persons, who are in charge of rules and law, are breaching laws themselves. Bribery and embezzlement are common in court. You can bribe judges or prosecutors. When you are caught for criminal acts, laws could be compromised. Upholding laws and constitutions are just lip service. Jail? According to Togar Lubis, a lawyer in Langkat, in January 2013, nowadays jail is becoming the best school to teach and train someone to be a criminal. Jail is also a place where you can find drugs and a drug mafia controls drugs trade.

## 6. Conclusion

Islam preaches integrity and forbids corruption. Socialization process begins even before a baby is born until he/she grows up, such as in choosing "right bride/bridegroom, wedding party, serving *halal* food and drink, making love with "*Bismillah*", "*Azan*" on the right ear and "*Iqamah*" on the left ear, Giving good name, breast feeding, "*khitan*" (circumcision), and religious education. All must be done in the Name of Allah with clean and right motivation.

In HMI, integrity and anticorruption are also taught. Training curricula contains lessons on human responsibility to create a just and prosperous world. All kinds of crimes and misbehavior must be avoided. In the training ground, it is honesty and truth which prevail.

However, when trainees completed their trainings (Basic Training, Intermediate Training, Advanced Training, and Senior

Course), students have difficulties in adapting themselves to real lives situation. Many corrupt and greedy political leaders and government officials are very eager to co-opt, mobilize, and manipulate HMI for their own vested-interests. They tempt HMI leaders and member by giving away money, wealth, and political positions. Many fall down, but many stand high, too, proudly.

The fall down happens because of two reasons, internally and externally. Internally, their faith is weak because of arrogance, greed and envy. Externally, economic, political, and judicial systems are structurally corrupt. "Right and good persons, who decide to work within the system, will come out in dirt and contaminated", because the system is already rotten and sick.

There is no way out to work with the system. So far, many have proposed and suggested partial and artificial rehabilitation to the system. Sometimes they call it as Reformation. It fails because the men who guard and operate the system are still the same. They will always endeavor to find weakness within the system.

The only solution is a revolution. There are two kinds of revolutions: one is an abrupt and violent revolution, and two is peaceful revolution. As for Indonesia, the author recommends a peaceful revolution. What is a peaceful revolution and how to achieve it, it is not in this paper to elaborate this issue. The author recommends writing a research on how to proceed to a peaceful revolution.

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# How Does Islamic Worldview Build Integrity?

Dimas Bagus Wiranata Kusuma  
Thaer Faisal Abdelrahim Qushtom  
Nur Jamaluddin

## **Abstract**

*Carter (1996) equates integrity with words like fidelity, commitment, and forthrightness, these terms define the authenticity and veracity with which a person of moral integrity holds to a pure moral principle or conviction. Hence, integrity, in the Islamic perspective, refers to the Islamic worldview as a centered of a knowledge and response in justifying one's moral convictions.*

*Given Islamic worldview will always influence the spirit of integrity in a Muslim, the questions are : (1) what the determining factors that build the integrity? (2) How does Islamic worldview influence the level of integrity in a Muslim behavior? (3) to what extent the spirit of integrity can be maintained in a Muslim behavior?*

*This paper is basically based on extensive review in Islamic worldview in accordance with Muslim's attitude towards an integrity manner. Extensive tenet of Islam tried to be deeply elaborated to link and direct what shall be the main cause of desacralization of integrity in Muslim mind.*

*The findings would be telling us that the current Muslim has loss their adab due to being secularized and do not commensurate with Islamic worldview. The disenchantment of nature, desacralization of politics, and deconsecration of values have been gradually receding out of Muslim paradigm. Therefore, islamization of mind, through Islamization of knowledge are highly relevant to transform and restore the Islamic worldview towards an increase of integrity value.*

*An improved of integrity awareness according to Muslim perspective is grounded basically on shifting paradigm into Islamic worldview. The change towards Islamic worldview highly requires islamization of mind through knowledge. Hopefully, this would restore the Muslim norm which ultimately contribute towards an increased on integrity value.*

**Keywords : Integrity, Islamization of Mind, and Islamic worldview**

## 1. Introduction

The idea of putting integrity as the main source for human life is no longer new. In Islamic point of view, integrity places principally as code of conduct which leads towards the establishment of human ethics. In some studies, integrity and ethics are defined equally because according to Sherman (2003) integrity and ethics cannot be manipulated due to their spirit are available to anyone who practices it with awareness and discipline. Therefore, the presence of integrity in Muslim life and behavior is no longer illusion<sup>1</sup>. In addition, integrity, based on extensive review of workplace spirituality definition, could improve organizational performance and productivity and profitability (Giacalone and Jurkiewicz, 2003b).

Islam and integrity looks like a glove which cannot be put aside in interpreting such particular issue. Integrity later is a part of Islamic ideology due to Islam is no longer solely a religion. Given such an integrative view on integrity in Islamic perspective, the pronouncement "Islamic worldview<sup>2</sup>" to expand the importance of integrity is highly relevant in shaping Muslims life and conduct. Since that, Islamic worldview is spiritually used as main reference on displaying the individual and society's belief towards God's (Allah) will. Technically, the Islamic worldview is simple and easy to understand once the three fundamental principles are highlighted, namely tawhid (theism), khilafah (vicegerency), and adalah (justice). Therefore, if a Muslim has in himself all these fundamental values, we could believe he becomes an individual who is really abide by the Islamic teachings and here, we can categorize him as insan muttaqun (pious individual). Meanwhile, as mentioned that Islamic worldview is a part of building integrity and a major element implementing, hence putting Islamic worldview as substantial factor in place would

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1. In America today morality based on religious truth has all but disappeared. Instead, we rely on our feelings to do what is right in our own eyes. For many integrity in an illusion.
  2. Basically it is a theistic and ethical worldview which contrasts sharply with the secularist or atheistic alternatives. It is also defined as a comprehensive conception of the universe and man's relation to it from the Islamic perspective, thereby serving as a basic for one's philosophy or outlook of life.



automatically encourage the attainment of higher level of integrity in every single human life.

Given that Islamic worldview is an integral part in Islamic teachings so that it obviously could be judged presumably that countries who have claimed or declared Islamic or have Muslim majority, could be grouped to have higher level of integrity. Building an integrity is basically a process promoting human ethical foundation in life. Spiritually a man who has a such level of integrity would find himself, consciously or unconsciously, has practiced an Islamic worldview. Conceptually, if a man has had Islamic worldview, he will definitely act religiously and ethically. The principle of tawheed has led Muslims to look into the concept of man, universe, and religion differently from the westerners. This in turn, will lead to various sub-concepts which include amanah (trust), khalifah (vicegerent), ikhtisab (accountability), and 'ibadah (worship). If a man can uphold these noble concepts in himself, some derived values such as siddiq (truthfulness), ikhlas (sincerity), 'adalah (justice), ukhuwwah (brotherhood) and mujahadah (determination) will become part and parcel of his life. Man with such values will ensure the achievement of highest level of men which is insan muttaqun (pious individual)<sup>3</sup>. Since man is the main element in the system, if each and every man can ingrain the tawheedic (Islamic) worldview, with Allah's permission, integrity can function effectively.

However, looking at current reality is somehow interesting particularly when comparing the implementation and conception of Islamic worldview in some Muslim countries. Rehman and Askari, (2010) empirically investigate the impact of religion on economic by gauging the degree of "Islamicity<sup>4</sup>" of Islamic countries and non-Islamic countries. In other words, the research tries to

3 Pious individuals are the one who will act in a God-fearing manner and this will hinder them from doing something which is not in line with ethical and religious conducts

4 The Islamicity is based on four main indicators, namely (1) free markets and strong economic performance, (2) good government governance and rule of law, (3) societies with well-formed human and civil rights and equality, (4) cordia relations and meaningful contributions to the global community.

investigate to what extent the level of integrity covered by Islamic worldview would affect Islamic countries" policies<sup>5</sup>. Surprisingly, Islamic countries which are grouped in OIC<sup>6</sup>, have the average ranking 139 out of 208 countries measured. If the Islamic countries (OIC) are compared with OECD<sup>7</sup> countries, the disparities are even more pronounced. According to the findings, the average Islamicity index among the OECD countries is 25. These results indirectly tend to indicate that the so-called and self-declared Islamic countries have not by-and-large adhered to Islamic principles (Rehman and Askari, 2010). Therefore, in other words, Islamic countries are not as Islamic in their practice as one might expect and hence we could indicate the level of integrity in those countries is low.

Now, we have known that there is an outstanding gap between the ideal integrity ought to be and the current reality occurred in Muslim world. Therefore, the paper attempts to examine the essential issues related with integrity development in Islamic perspective, namely (1) what the determining factor (s) that builds the integrity? (2) How does Islamic worldview influence the level of integrity in a Muslim behavior? (3) To what extent the spirit of integrity can be maintained in a Muslim behavior? Finally, the paper is systematically organized as follows: chapter two covers the literature and theoretical review. Chapter three discusses methodology or research. Chapter four provides findings and discussions, and chapter five covers conclusion.

## **2. Theoretical And Literature Review**

### **2.1. Integrity and Islamic Worldview**

According to Socrates in Plato"s The Republic, Book IV, Socrates

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- 5 Islamic countries here are defined as (1) government that has adopted Islam as the official state religion, or (b) Islam as their primary religion , (c) a significant Muslim population, (d) simply declared themselves as an Islamic Republic.
- 6 it is comprised of 56 countries, excluding Palestine.
- 7 They include Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, South Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, and United States.

explained that the human psyche, or soul, consists of three "parts" : the logical-rational (logiston), the spirited or affective (thymia). And the desiring or willing (epithymia). He later argued that when these elements of the soul are in "friendly harmony"<sup>8</sup> the soul is temperate and just. Thus we see that the integration of reason, affect, and desire, which are a form of psychological integrity, has a moral outcome. Meanwhile, Carter (1996) developed an excellent working definition of integrity which represents the integration of three components, as follows : (1) moral discernment<sup>9</sup>, (2) consistent behavior<sup>10</sup>, (3) public Justification<sup>11</sup>. In Islam, integrity means „adalah (justice). God Almighty, Allah SWT has commanded the maintenance of justice under all circumstances and in all aspects of life (Surah Al An'am: Verse 152).

The Holy Quran, in fact, continuously commands Muslims to be just and truthful while bearing witness and while deciding a dispute matter. In other words, Islam defines integrity as a moral belief not to exploit others (Ahmad, 1995). In accordance with Islamic worldview, integrity would be worth unless human being fully realizes that what they possess have been created by the Supreme Being and that they are accountable to Him. Then they may not consider themselves either absolutely free to behave as they please or helpless pawns on the chessboard of history, unconcerned about how their behavior affects the well-being of others and the direction in which history is moving. Finally, integrity is a constantly effort motivated by Islamic mission, namely to ensure the well-being of all where treat each other and their environment in a way that would help fulfill Islamic mission, pious individual.

## 2.2. Muslim Behavior, Integrity, and Knowledge

Islam highly elevates the presence of integrity in every corner

<sup>8</sup> These three diverse abilities are unified

<sup>9</sup> Denotes the ability to discern what is morally right from morally wrong.

<sup>10</sup> Is the ability to consistently act on those convictions.

<sup>11</sup> This is found in the ability to openly articulate that one is acting according to his or her convictions and that these convictions are the results of moral reflection and evaluation.

of life. Islamic tenets are very concern with moral philosophy as it is one of the most valued virtues or qualities of character. However, the inquiry remains how integrity is maintained throughout a person's life. Again, to address the question, integrity shall be placed synonymously with honestly. Carter (1998) cautions that a person of integrity would behave honest but an honest person may have little integrity because integrity demands more than just honestly. Carter (1998) further states integrity requires three kind of personal behavior, namely (1) discerning what is right and what is wrong, (2) acting on what you have discerned, even at personal cost, (3) saying openly that you are acting on your understanding of right and wrong.

Meanwhile, integrity in Muslim is molded by the process of muhasabah (self-evaluation) before brings the soul into pious individual. This belief would require contemplation that religiously encourages Muslim behavior to think of several basic principles as normal human beings. Those principles are packaged in a set bundle of Islamic knowledge or legacy. Those knowledge critically exercise some no-lasting inquires, namely (1) the nature of existence, (2) how the universe came into existence, (3) the meaning and purpose of human life, (4) the ultimate ownership and objective of the limited resources at the disposal of human beings, and (5) the relationship of human beings to each other and to their environment. Therefore, Islam does emphasize on building integrity by bringing along religious worldview in solving human problem as well as upgrading their dignity.

Integrity in the context of Muslim behavior is obviously commenced by promoting solid understanding of Islam namely by injecting a meaning of Islamic worldview. So that, the attainment of Islamic knowledge in Muslim mind could provide the right direction towards their behavior, including enable hopefully transform social life to a more honest and just (being closer to integrity definition) (Chapra, 2009).

### 2.3. The call for Islamization of Knowledge

As mentioned in the introduction, Muslim countries and Muslim ummah are in the lower level of integrity. This is led by misconception and mislead in conceiving Islamic knowledge. Muslim mind is being contaminated and corrupted by knowledge which unconsciously promotes personal Muslims confusing and value free in assimilating various knowledge coming in. In other words, Muslim's integrity is declining as the loss of filtering mechanism in facing knowledge so that the confusion of understanding is taking place seriously and lead to inability distinguish the genuine source of legitimate knowledge in mind. On this regards, the epistemology<sup>12</sup> of current knowledge shall be put in the forefront arena in order to re-structure Muslims thoughts so that the integrity's reconstruction is solidly embodied

Abu Sulaiman (1994, p.2) argued that the root cause of the malaise<sup>13</sup> to be the "ummah" (mis) conception of knowledge creating a „crisis of thought" characterized by „historical split"<sup>14</sup> in knowledge into shariah sciences and „other" sciences. Al Attas (1995, p.15, 127) very clear addresses the problem of Muslims to be "Our real challenge is the problem of the corruption of knowledge. This has come about due to our own state of confusion as well as influences coming from the philosophy, science, and ideology of modern western culture and civilization. He later critically poses that "I venture to maintain that the greatest challenge that surreptitiously arisen in our age is the challenge of knowledge, indeed, not as against ignorance; but knowledge as conceived and disseminated throughout the world by western civilization. Hence, it seems to me important to emphasize that knowledge

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12 The investigation into the grounds and nature of knowledge itself, including the means for acquiring knowledge and how can we differentiate between truth and falsehood.

13 Denotes to the backward and lowly contemporary position of the ummah in all field (Faruqi, 1982 pp1-6). This ultimately leads to a degradation in Muslim's integrity.

14 Over concentration and narrow specialization in the shariah sciences and a neglect of modern sciences, vice versa.

is not neutral<sup>15</sup>, but its interpretation through the prism, as it were, the worldview, the intellectual vision and psychological perception of the civilization that now plays the key role in its formulation and dissemination”.

### 3. Methodology

The paper tries to elevate the level of integrity within Muslims ummah by integrating the keywords, namely Islamic worldview, Islamization of Knowledge, and upgraded integrity. Therefore, all those three concepts must be developed by a certain methodology which is later called as methodology of Islamic integrity. We, according to Islamic worldview, ought to believe that a correct understanding in integrity must be preliminary one by developing a comprehensive methodology<sup>16</sup>. Methodology, in this context, relates to the formulation of principles and systems of practices and procedures that ultimately determine the analysis and development of a discipline in sciences. Apparently, methodological definition of Islamic integrity can be broadly defined as “ an approach to interpreting and solving man’s behavior problems based on the values, norms, laws, and institutions found in, and derived from, the sources of knowledge in Islam”.

#### 3.1. Islamic Worldview

The central point of Islamic worldview is mainly driven by

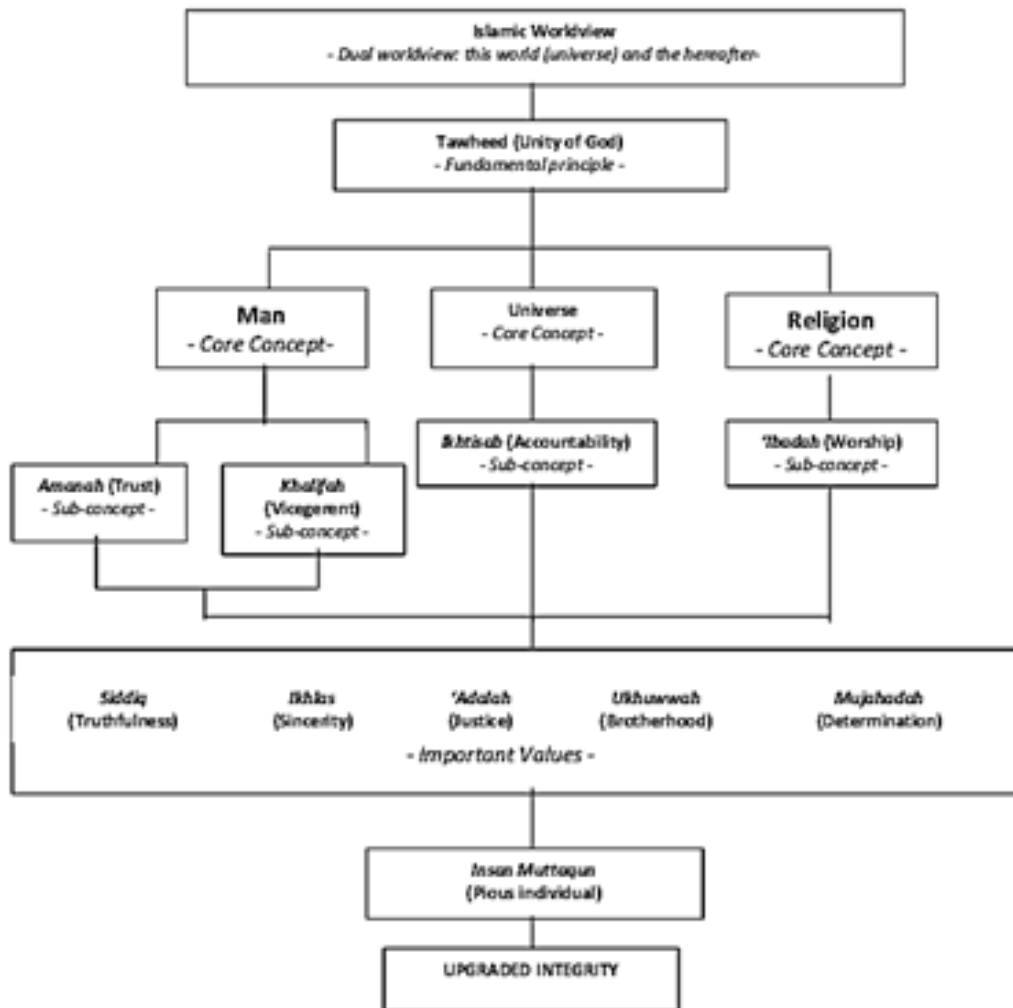
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15 Hadi (1984) sees that philosophical basis of modern knowledge is secular hence unacceptable for Muslims. Kazi (1993) sees modern knowledge as not being equally effective in an Islamic framework since the basis assumption of the two systems are different. Abu Fadl (1988) sees the need for Islamization of Knowledge (IOK) due to the anomalies created by modern knowledge that abandon religion/God so that has confused Muslims” mind and unconsciously downgrade moral and integrity.

16 Taking the Islamic worldview as the source of acquiring integrity, the process of systematizing the methodology into integrity must be based on an epistemology which differs from the range of secular experiences. What we know, how we can know it, and the criteria to evaluate what and how we know in building integrity, must necessarily be projected from the Islamic conception of acquiring knowledge. The downgraded integrity would be aptly not solely influence by they believe themselves to see, but in the quarter whence they obtained the light by which they think they see it (J.S Mill, 1948:141).

closing a wedge between the moral and the material. In brief, the solid understanding and deriving Islamic worldview would enable Muslim's behavior behaving, either action or thought, in the trajectory towards an upgraded integrity.

**Figure 1.1. The Process of Building Integrity in Islamic Perspective**



## 4. Result And Discussion

### 4.1. Islamic Worldview and Knowledge.

Given that the corrupted knowledge had misled the mind, reconstruction and re-conception of human knowledge are highly called for existence. In order to spiritually correctly justify the

acquired knowledge, then contribute rightly towards integrity, the same basic procedure for building and testing knowledge are verifiably identified, namely :

### **Stage 1- Conceptual Framework**

- a. Identifying subject matter-Islamic Economic Vision. In this regards, an upgraded integrity among Muslims are very much the concern.
- b. Refer to primary sources of shariah, The Quran and the Hadith. In the context of integrity, Muslims could utilize sound reason and intuition by performing and connecting all the function of mind and heart. In other words, the interpretation of primary sources highly require the existence of a higher authority than just human reason. Religiosity is very much needed in creating integrity via primary sources.
- c. Refer to contemporary of scholar of Islam. This is important in the sense contextualizing the spirit Islam towards integrity through contemporary ijtiihad. It likely provides the dynamism and flexibility to address differing situations and times.
- d. Refer to contemporary theory on integrity. We cannot be naïve and unrealistic that western knowledge is irrelevant since we can refer them as general and universal references in complementing the whole idea come from Islamic sources and worldview<sup>17</sup>.

### **Stage B – Empirical Testing**

- a. Establish hypothesis. It reflects who will issue “authority” and “legitimacy” regarding on particular tested objects for building a solid integrity in Muslim mind and action. The basic purpose of developing hypothesis is naturally to constitute part of the process of developing an acceptable body of Islamic knowledge. There shall not be difference between the Islamic view on the technical aspects of empirical studies and normative tenets of

<sup>17</sup> Anwar (1990) proposed to apply ijtiihad among Islamic scholars by critically separating the corpus and nucleus of knowledge into three elements, Islamic elements, neutral elements, and un-Islamic elements. Un-Islamic element must be cleared out through Ijtihad and certainly it highly requires master knowledge, either in Islamic legacy and modern knowledge.



Islam. Importantly, the set criteria used to test hypothesis must have to reflect the values and norms of Islam so that would be consistent to develop integrity in Islamic perspective (Haneef, 1997).

b. Test Hypothesis and Model. Unlike western or modern empiricism or positivism approach, do not merely depend on the absolute proof of truth. The realized truth must be “tangent” or not escape the criteria and proof from revelation.

(1) If the test verify (or do not falsify yet) the hypothesis, they are accepted and if repeatedly observed, they become ultimately the building blocks for new knowledge.

(2) If, empirical tests do not support the hypothesis, all aspects (all points in stage A) are re-examined. In case, this review is able to solve the divergence, then the problem is solved, means the building blocks of knowledge are established.

(3) If, after repeated reviews, there is yet a divergence between the normative knowledge (theory based on Islamic heritage) and the practice observed (the models). Then, we would question why the “what is” differs from the “what ought to” and proceed continuously to change the “what is” so that it ultimately conforms to the “what ought to”

According to above process, building integrity needs to consider the process of Islamization in legitimating a sort of knowledge. Given the belief, by promoting Islamization of human knowledge encapsulated by Islamic worldview, it would guarantee the determination of mind development which is suitable with Islamic tenets, or Islamic integrity per se.

#### **4.2. Islamization of Knowledge Agenda (IOK) and Islamic Integrity**

As mentioned that the corrupted of mind has resulted gradual decline in Muslim world. Al Attas (1975) and Faruqi (1989) proposed the idea of Islamization of knowledge agenda. They are convinced that only by restore back the Islamic knowledge based, the Muslims ummah would revive and automatically the integrity

exists.

The idea of IOK is very much given concern by Al Attas (1975) which argued the two-step process, namely :

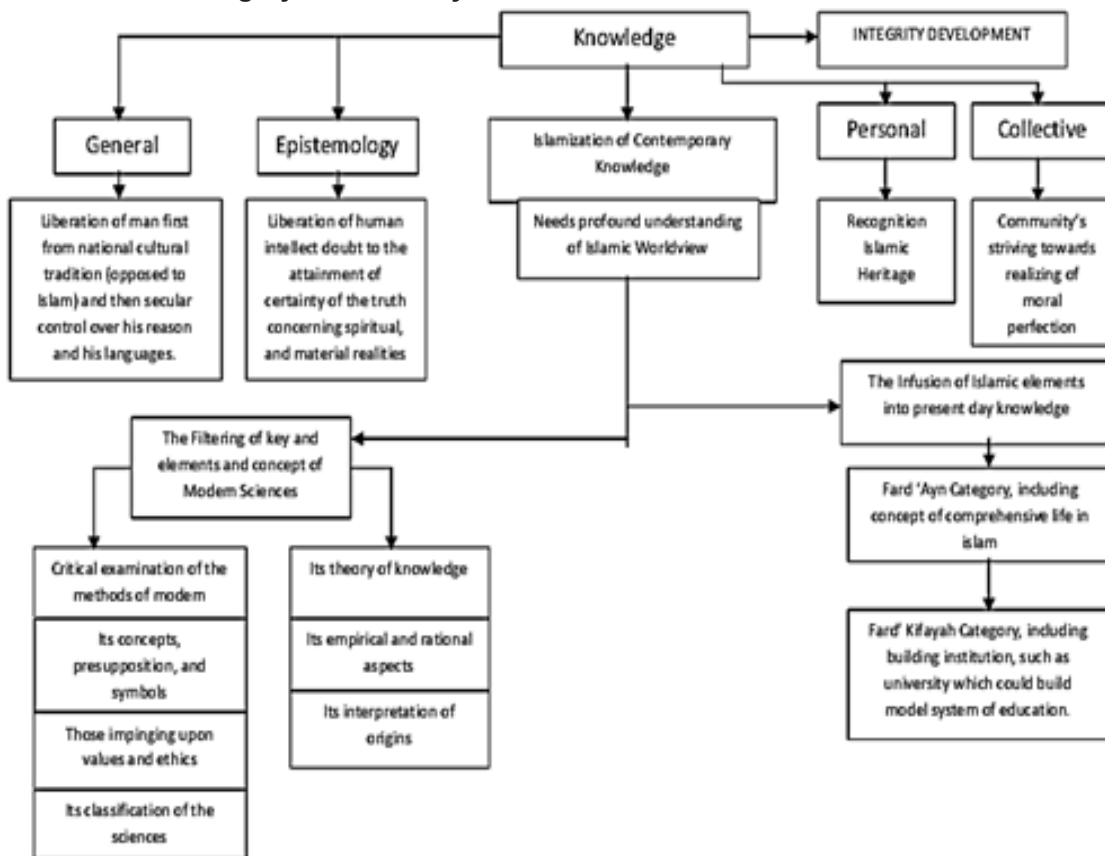
- 1) Isolation of key elements that make-up western culture and civilization from every branch of knowledge (dewesternization/ desecularization). Faruqi (1989) overstates that everybody shall master in modern sciences, namely he or she must understand their objectives, history, circumstances of their development, issues, and methodology, and know the critical, analytical, and objectives aspects of those sciences in western perspective.
- 2) Infusion of Islamic elements and key concepts into all branches of knowledge. Faruqi (1989) requires Muslim scholars to master in Islamic legacy. Muslim scholars have command over the fundamentals of Islam as embodied in the Quran and the Sunnah and expertly have an adequate understanding of the various Islamic texts that relate to his special field and fully commensurate with Islamic legacy.

Naquib At Attas (1975) illustrated his views on building Islamization of Knowledge framework which he divided the building of knowledge into several pillars. He argued IOK agenda should be based on Islamic Worldview so that methodology developed is considering and recognizing the Islamic philosophy and History of Islamic thoughts.

As mentioned that integrity is basically a personal commitment which adhere some sacred principles and belief, either social or religious traditions. Philosophically, human beings then are forced to express their behavior according to their understanding of a particular context. Again, critical mind, accompanied by religious principles absolutely is needed to decide on executing a sort of behavior.

Hence, elements which form such critical minds must be put in line so that can guide towards right path or trajectory. Evaluation of mind as element in directing behavior must be systematically examined from which avenue is mainly used to

**Figure 1. Islamization of Contemporary Knowledge : Naquib Al Attas (1978) Integrity and The Way Forward**



fill up the mind. Knowledge could be me of important elements influencing direction of mind in life. Therefore, Islamization of knowledge agenda is substantial effort to elevate integrity of mind lead to ultimately well-conduct behavior among Muslims. However, IOK is not one day job but it takes a long journey process and stages. These are some possible way forwards, taken from the International Institute of Islamic Thought (IIIT), that can be exemplified in order to accelerate the IOK process into reality, namely :

- 1) Creating awareness in the ummah of the crisis of ideas caused by the modern corrupted knowledge
- 2) Fostering continuously a deeper understanding of the nature of the crisis in contemporary thought, its causes, and its solutions.
- 3) Defining critically the relationship between the failure of Islamic

thought and its methodology; the current absence of the ummah as a civilization; and its failure to succeed as a progressive and prosperous society or nation.

- 4) Working regularly and progressively toward reviving the ideologies of the ummah, promoting redeveloping its methodology, elucidating its viewpoints and its intimate relationship with original Islamic goals.
- 5) Working extensively for adopting and incorporating comprehensive Islamic methodology in the fields of social sciences and humanities.
- 6) Actively implementing the requisite steps to allow the developing contemporary Islamic Culture to Muslims students so that the fountains of Islamic principles and legacy are accessible and digestible.
- 7) Providing environment in researching, studying, and working on the methodology and its presentation.
- 8) Preparing the requisite intellectual cadres to broaden the field of Islamization of knowledge through providing financial assistance, academic supervision, and probably establishing academic programs of Islamic studies in all fields of contemporary social sciences and humanities.

## **5. Conclusion**

There can be no doubt that the intellectual and methodological decline have been happening in Muslims ummah. It then effects to the degradation in political, economic, and cultural character. In addition, it has gradually led to downgrade the level of integrity in Muslims action via the confusing knowledge learnt. The corrupted knowledge has misguided the conduct so that finally pushes away from the stipulated goals under Islamic perspective. The idea of islamization through establishing Islamic worldview concept and Islamizing knowledge is forefront agenda to gradually reshape Muslim"s mind and simultaneously developing Islamized knowledge. Long journey process is demanded but

this concept (IOK and Islamic worldview) development can upgrade and revive Integrity in Muslims Ummah.

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# Integrity in Christian Values During Problematic Social Relations: Case of GKI Yasmin in The Web Archives

Riris Loisa

## Abstract

“..And now these three remain: faith, hope and love. But the greatest of these is love” ... This citation from the holy Bible is the central issue of Christianity. Today, love has become a universal concept in the context of romance, family and friendships. In Christianity, love has many dimensions with multiple indicators: patient, kind, un-abusive, does not delight in evil but rejoices with the truth, always hopes, always perseveres, etc. Christians believe that love never fails, and should always have this concept in mind, use it *as reference for way of thinking, speaking and behaving towards God, self and others. In other word, Christianity is about integrity of loving. This essay will discuss the integrity in applying the concept of love in a complicated social relations faced by the congregation of GKI Yasmin, in the city of Bogor. This congregation has encountered oppression by the radical groups as well as by the local government, even though they have won the case in the Supreme Court. How the congregation responding to the oppressions with integrity of Christian values will be analyzed, with the perspective of intercultural communication within ideology and moral issues. The analysis will be using interpretive text analysis toward several web archives including GKI Yasmin official website and news in Tempo.co. The result of this analysis will present a description of integrity based on Christian central values in a social relations that encountered by conflict.*

**Key words:** *love, integrity, conflict, web archive text analysis*

## 1. Introduction

Love is the center of the whole Christian faith: “now these three remain: faith, hope and love. But the greatest of these is love; ... for God is love” ... other than these citations, there are more than 2000 words about love in the Christian Holy Bible...<sup>1</sup> Love is the central issue of Christian life. Today, love has become a universal concept that use to be applied in the context of family, romance, and friendship. For Christians, love is a concept that has specific purposes, toward God, self, and others.<sup>2</sup> In other word, Christianity is about integrity of loving God, self and others.

Within the context of social life, love toward others becomes the reference for attitude and behavior in the social environment. The concept of love in this context is operated in The Biblical way of conduct such as patience, humility, justice, truth, etc<sup>3</sup>. In a favorable social relationship, it would not be too difficult to apply love into attitude and behaviors. Unfortunately, in many cases social life is filled with differences of values, purposes, and interests between groups that might lead to various social problems. In other word, social reality contains challenges toward integrity of applying Christian values into real actions.

For example, the practice of love is patience. Being patient is an attitude with different level of challenge. For most of people being patient toward unpleasant neighbors, clients, co-workers, or leaders are simple matters. But, it will be a different case if being patient challenged by tensions in a critical issue. The Indonesian Christian Church (GKI) Yasmin case represents an example of applying patience in a challenging reality.

GKI Yasmin is confronted by the fundamentalist groups that

- 1 <http://alkitab.sabda.org/search.php?search=Kasih&tab=text&scope=all&exact=off>
- 2 Jesus replied: “Love the Lord your God with all your heart and with all your soul and with all your mind.”[a] 38 This is the first and greatest commandment. 39 And the second is like it: ‘Love your neighbor as yourself (Mathew 22: 37-39), <http://www.biblegateway.com/passage/?search=Mat%2022:37-39&version=NIV>
- 3 1 Corinthians 13:4-5, Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It does not dishonor others, it is not self-seeking, it is not easily angered, it keeps no record of wrongs., [http://www.biblegateway.com/quicksearch/?quicksearch=Love+is+patient&qv\\_version=NIV](http://www.biblegateway.com/quicksearch/?quicksearch=Love+is+patient&qv_version=NIV)

accommodated by the local Government. In 2008 the building permission that they got from the city mayor was cancelled due to the demand from fundamentalist group. Even though GKI Yasmin has won the case in the Government Administrative Court and in the Supreme Court, and got support from the Indonesian Ombudsman and the Human Right Commission, the church is still not allowed to continue to build their place for worship.<sup>4</sup>

Furthermore, they are not allowed to conduct a prayer service in their own land. They held the service in the walk side in front of the sealed church. The situation was getting worse. Before, during, and after prayer service, they were intimidated by the government apparatus and the member of fundamentalist groups. The intimidation even continued to the residencies of the congregation, during home prayer services.<sup>5</sup>

After five years of oppression from the local government and the fundamentalist group, the congregation is still struggling for their house of worship and for the execution of the verdict of The Indonesian Supreme Court.

This essay will analyze the integrity of the GKI Yasmin congregation in applying the Christian value of love during problematic social relations within a conflict. Particularly, this essay will seek the answers of the following questions: (1) What are the values of integrity in Christianity in the context of GKI Yasmin congregation case?; (2) How are these values of integrity implemented in social relations in the society?; (3) What is the role of Christian institutions in maintaining the values of integrity in the society?; and (4) How is the political situation in Indonesia affecting the integrity of Christian institutions?

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4 Up Dated Chronology of the Indonesian Christian Church Prospective Post Taman Yasmin, Bogor, a link in the official website of the Indonesian Christian Church: [http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi\\_Gereja\\_Kristen\\_Indonesia\\_Bakal\\_Pos\\_Taman\\_Yasmin\\_Bogor\\_--VERSI\\_doc\\_23\\_Sept2011.pdf](http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi_Gereja_Kristen_Indonesia_Bakal_Pos_Taman_Yasmin_Bogor_--VERSI_doc_23_Sept2011.pdf), January 19, 2013

5 <http://youtu.be/Ha0wRbm7Pp0>, January 17, 2013



## 2. Literature Review : Love, Integrity & Problematic Social Relations

*'Love the Lord your God with all your heart and with all your soul and with all your mind.' This is the first and greatest commandment. And the second is like it: 'Love your neighbor as yourself.'*<sup>6</sup> The law of love is the essence of all Christian values.

### 2.1. Love and Integrity

Quotations above represent 3 directions of love toward (1) God; (2) self; and (3) others. For Christians, love toward God is a form of respond that occur due to His initiative in loving His people.<sup>7</sup> This response of love is manifested in the obedience to the commandments of God. For Christians, God's primary commandment is to love God. Meanwhile, there is another command which has similar position with the primary one, which is to love others as loving self.<sup>8</sup> Thus, loving God is manifested in obedience to love.

There are only small numbers of verses in the Bible text that explains about loving self. Statements about this issue usually attached in the context of relationship with others. *Loving others as loving self; do toward others according to the expectation of what others would do toward self.*<sup>9</sup>

The center of Christianity is love. In daily life, true Christians will apply the value of love in their behavior.<sup>10</sup> This fact shows why integrity is the key for obedience to apply Christian values into behavior. Integrity is the quality of always behaving according to the moral principles that one believes.<sup>11</sup>

6 Matthew 22:37-39, <http://www.biblegateway.com/passage/?search=Matt%2022%20%2037-39&version=NIV>

7 1 John 4:19 We love because he first loved us., <http://www.biblegateway.com/passage/?search=1%20John%20%204%20%2019&version=NIV>

8 If you love me, keep my commands. John 14:15. <http://www.biblegateway.com/passage/?search=John%2014%2015&version=NIV>

9 Do to others as you would have them do to you. Luke 6:31. <http://www.biblegateway.com/quicksearch/?quicksearch=do+unto+others+&qsversion=NIV>

10 Keep this Book of the Law always on your lips; meditate on it day and night, so that you may be careful to do everything written in it. Then you will be prosperous and successful. Joshua 1:8. <http://www.biblegateway.com/passage/?search=Joshua%201:8&version=NIV>

11 <http://www.macmillandictionary.com/dictionary/british/integrity>

## **2.2. Problematic Social Relations : Conflict**

Society is a social system that always pursues the state of equilibrium. For this reason the entities in a social system should function and interact a way that support the equilibrium state. Unfortunately the social relations among entities in a society rarely reach the ideal condition. Differences among entities are potential factors that lead to social conflict that harm the state of equilibrium.

Conflict is inevitable in any ongoing relationship (Roloff, in Gudykunst & Kim, 1997:278). Conflict arises in any social situation or process in which two or more social entities are linked by at least one form of antagonistic psychological relation or at least one form of antagonistic interaction. (Fink; in Littlejohn & Domenici, 2007:8). The linkage in this definition is the communication link that made up by symbolic exchange trough word or deed. According to this definition, the social interaction between parties must be antagonistic is some way. (Littlejohn & Domenici, 2007:8)

Members of a social group develop shared identity, experience, and belief that different than other social groups. These similarities are built upon a value system or ideology, and become the group's reference. The problem occur when the ideology of one particular group interpreted differently by the member of other groups. As stated by Pierce and Littlejohn as bellow:

The problem is that one group's truth is another's folly. In other words, communities of human beings-whether ethnic, political, religious, or national-often have drastically different worldviews that lead to different assumptions about what is right and good; these views often clash (Pierce & Littlejohn, in Littlejohn & Domenici; 2007:212)

In intercultural communication perspective, different value system among entities leads to an ideology or moral based conflict.

## **3. Methodology**

This essay focuses on the integrity of a social entity to apply their central value in behaviors. Since the background of the problem

laid on different values between social entities, the analysis will be based on intercultural communication perspective.

The approach for the case is interpretive, that aimed to describe the behavior of a cultural group based on the assumption that human experience are subjective in nature. Their behaviors tend to be creative rather than determined, and their culture are created and preserved through communication. Interpretation of the case is based on the text that evolves within a specific context (Martin & Nakayama, 2007:55-57). Text for the analysis are snapshots of micro web archives (Consalvo & Ess, 2011: 25-32), selected purposively, that represent richness of data about integrity of applying Christian values during a conflict. Based on previous considerations the web archives in this essay are the news in Tempo.co and the official website of GKI Yasmin.

#### **4. Results: Values of integrity in Christianity in GKI Yasmin case**

The conflict experienced by GKI Yasmin has been going on for almost 5 years. During those years, the congregation created a culture of conflict that characterized by integrity, the quality of always behaving according to the value and moral principles that they believe, that is integrity to love God, self, and others.

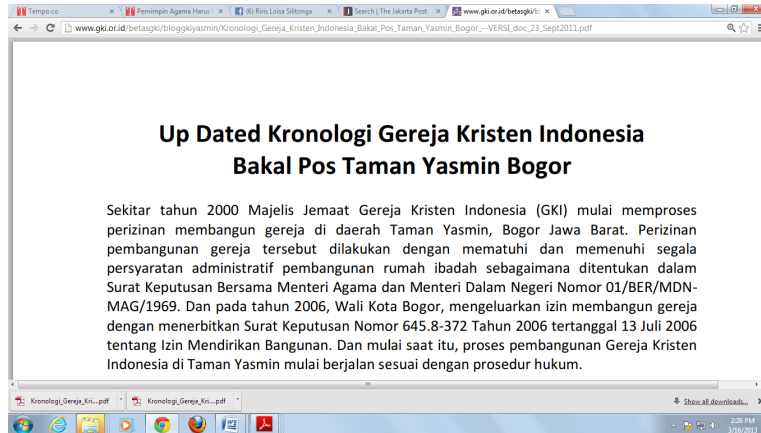
Loving God by is implemented through preserving the ritual of worship even though they had to deal with intimidations and through the obedience of loving. While loving self and others is manifested by going through a long period of conflict in an appropriate way of conducts. Without integrity, love as the central Christian value is merely a concept. Integrity is the way that the concept of love manifested in reality, which in turn became the strength to go through the long drawn problematic social relations.

##### **4.1. Implementation of values of integrity implemented in social relations**

The official website of GKI Yasmin (web archive 1) contained details of ways of conduct that they implemented since the very

beginning, which is when they apply for the church building permission from the local government in the year of 2000.

### Web archive 1. [www.gki.or.id](http://www.gki.or.id)



Source: [http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi\\_Gereja\\_Kristen\\_Indonesia\\_Bakal\\_Pos\\_Taman\\_Yasmin\\_Bogor\\_--VERSI\\_doc\\_23\\_Sept2011.pdf](http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi_Gereja_Kristen_Indonesia_Bakal_Pos_Taman_Yasmin_Bogor_--VERSI_doc_23_Sept2011.pdf)

After 6 years of waiting for the approval, finally the mayor of Bogor issued the GKI Yasmin building permission. The problem started in 2008, when the local government sealed the ongoing process of building of the church. In dealing with this problematic situation, the GKI Yasmin congregation went through legal action, by filing claim about the sealing to the court. After a series of legal process, finally the church won the case in the Supreme Court. Nevertheless, the mayor did not execute the Supreme Court verdict. On the contrary, in 2011 the local government cancelled the 2006 building permission. Furthermore, the congregation was not even allowed to enter their own land. The rituals were held in the sidewalk in front of the building gate, under intimidation and terror.<sup>12</sup>

The pressure experienced by GKI Yasmin, is a double barreled conflicts, one with the fundamentalist group that ask for cancelation of the building permission, and the other is with the local government, who accommodated the demand.<sup>13</sup>

12 [http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi\\_Gereja\\_Kristen\\_Indonesia\\_Bakal\\_Pos\\_Taman\\_Yasmin\\_Bogor\\_--VERSI\\_doc\\_23\\_Sept2011.pdf](http://www.gki.or.id/betasgki/bloggkiyasmin/Kronologi_Gereja_Kristen_Indonesia_Bakal_Pos_Taman_Yasmin_Bogor_--VERSI_doc_23_Sept2011.pdf)

13 GKI Taman Yasmin Bogor Issue, Bogor City Government Official Website, [http://kotabogor.go.id/index.php?option=com\\_content&task=view&id=8201](http://kotabogor.go.id/index.php?option=com_content&task=view&id=8201), 19 Januari 2013

As for Christian, love manifested in to patience, politeness, justice, and truth.<sup>14</sup> During the problematic social relations, The GKI Yasmin congregation shows a consistent integrity in applying the value of love that manifested in sustainable patience and endurance against pressures and injustice actions. 6 years of waiting for building permission, 2 years of process of court, 5 years of struggle for the execution of the verdict, that complicated by terror and intimidation.

The implementation of love also manifested in the endurance to go through conflict according to the law. At this point, the integrity of love is articulated in pursuing justice and truth with appropriate way of conduct through the legal action.

#### **4.2. The role of Christian institutions in maintaining the values of integrity in the society**

Tempo.co web archive shows that the Christian institutions put effort to maintain the values of integrity in pursuing favorable social relations. The Indonesian Communion of Churches (PGI) is the institution that covered the Churches in Indonesia. Since 2010, PGI has been advocating The GKI Yasmin case intensively. Meanwhile the support of interdenominational Christian organizations intensified in the year of 2012. At that time PGI advocated GKI Yasmin case accompanied by Christian and Catholic organizations. Union of Indonesian Church and Gospel Institution (PGLI), Indonesian Bishops Conference (KWI), and the Union of Pentecostal Churches of Indonesia (PGPI) and PGI reported the GKI Yasmin dispute to the Constitutional Court to report that the GKI Yasmin congregation's constitutional rights to worship had been violated.<sup>15</sup>

<sup>14</sup> Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It does not dishonor others, it is not self-seeking, it is not easily angered, it keeps no record of wrongs., 1 Corinthians 13:4-5. [http://www.biblegateway.com/quicksearch/?quicksearch=Love+is+patient&qv\\_version=NIV](http://www.biblegateway.com/quicksearch/?quicksearch=Love+is+patient&qv_version=NIV)

<sup>15</sup> Church Communion Disappointed in Yudhoyono's Handling of GKI Yasmin Conflict, <http://www.tempo.co/read/news/2012/02/16/055384537/Church-Communion-Disappointed-in-Yudhoyonos-Handling-of-GKI-Yasmin-Conflict>

## Web archive 2. Tempo.co



Source: <http://www.tempo.co/read/news/2012/02/16/055384537/Church-Communion-Disappointed-in-Yudhoyonos-Handling-of-GKI-Yasmin-Conflict>

The intensifying of advocacy from interdenominational Christian organizations is a form of integrity of loving others. Nevertheless, it is unfortunate that the interdenominational started to show unity for advocacy after the case had been going on for so many years. Whereas the Christian organizations leaders should have been the example for all Indonesian church members and congregations in applying integrity to love one another even from different denomination. This unity need to be intensified particularly when one of the church encountered by problematic social relations with other entity. In the past, during the struggle for justice, GKI Yasmin had considerable support by organizations and individuals that care about the human right and pluralism.

However, the interdenominational Christian institutions have conducted actions toward the central government to solve the conflict between GKI Yasmin and the local government of Bogor (including the fundamentalist group). These actions were representations of effort to build a social climate that supports the implementation of Christian values. Unfortunately, the interdenominational Christian institutions advocacies were not able to make the central government to execute actions for conflict resolution.

Looking from another point of view, this condition is still appropriate for implementing Christian core value of loving. When

social relations experience problems, it is the right moment to implement integrity to love. Christians believe that integrity of loving should go through various tests, and those who preserve under trial will get their reward of blessings.<sup>16</sup> This explains why problematic social relations are also appropriate for maintaining the values of integrity in the society.

### **4.3. The political situation in Indonesia and the integrity of Christian Institutions**

GKI Yasmin case is not representing the overall situation of religious social relations in Indonesia. In general, the political situation is conducive for implementing Christian values with no significant challenge from other entities. But the GKI Yasmin case is filled with extraordinary information and circumstances that show the value for integrity. The collaboration between local government of Bogor and the fundamental pressure groups become a challenge that call for the integrity of Christian institutions to apply the concept of love into concrete social behaviors. Complicated situation might be difficult to handle, but it is the right place to exercise integrity to love.

Looking at the overall political situation in Indonesia, there has been a hope for a better democratic public sphere due to the availability of the internet for the citizens, even though mostly is still in the rural areas. Today, the GKI Yasmin exercises their integrity to love by fighting virtually. Using twitter and facebook they spread love by conducting a peaceful struggle within what as faith and national identity. Struggle with believe that their Christianity and Indonesian identity are united.

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<sup>16</sup> *Blessed is the one who perseveres under trial because, having stood the test, that person will receive the crown of life that the Lord has promised to those who love him. James 1:12. <http://www.biblegateway.com/passage/?search=James+1:12&version=NIV>*



### Web archive 3. Peduli Yasmin Facebook



Source: <http://www.facebook.com/gkiyasmin>

### Web archive 4. GKI Yasmin Twitter



Source: <https://twitter.com/gkiyasmin>

## 5. Conclusion

GKI Yasmin case is not representing the overall situation of religious social relations in Indonesia. But the GKI Yasmin case is filled with extraordinary information and circumstances that show the value of integrity. The quality of behaving according to the moral principles that they believe, that is integrity to love God, self, and others as the central value of Christianity.

The values of integrity implemented in social relations within the GKI Yasmin congregation are in their patient and endurance in a problematic social relation, how they struggle with appropriateness, through the path of law.

The role of Christian institutions in maintaining the values of integrity in the society laid on the negation conducted toward the government. However, the interdenominational Christian institutions need to build a strong unity, as a form of integrity to



love each other.

The political situation in case of GKI Yasmin, become complicated due to collaboration between fundamental pressure groups and the local government. But it is the right place to exercise integrity to love. Today GKI Yasmin struggle in peace through the social media, a promising public sphere for better democratic life.

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- <https://twitter.com/gkiyasmin>
- GKI Taman Yasmin Bogor Issue, Bogor City Government Official Website, [http://kotabogor.go.id/index.php?option=com\\_content&task=view&id=8201](http://kotabogor.go.id/index.php?option=com_content&task=view&id=8201), 19 January 2013
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RELIGION

MORAL INTEGRITY THROUGH  
RELIGIOUS-BASED EDUCATION:  
CREATING AN INTEGRITY  
COMMUNITY THROUGH  
RELIGION-BASED SCIENCE

# The Impact of Shalat on Student's Daily Behavior and Their Subjects Value : Case Studies on Madrasah Diniyah Ma'hadil-Hasyimy, Pragaan, Sumenep

Akhmad Jayadi, S.E., M.Ec.Dev.

## Abstract

*The complexity of understanding the practice of shalat is the reason why it needs regular practice of shalat since childhood. In order to practice successfully, various teaching methods are applied, ranging from the soft method to the hard one.*

*To improve the practice of shalat and honesty, Each student was given a book called Laporan Kejujuran Shalat (LKS, integrity report of shalat) that lists the five shalat every day. LKS impact not only be measured at proficiency or fluency in shalat, but also in improving the honest behavior of students, both in the implementation of the shalat, and daily behavior of students at school and home.*

*The problems taken in this study is how the impact of LKS on student's daily behavior and their subject's value such as tajwid, fiqh, and akhlaq. This research is a case study. Sample research are students of class VI of Madrasah Diniyah Ma'hadil-Hasyimy, Kaduara Timur Village, Pragaan Regency, Sumenep District. To examine the differences between "before and after" the implementation of LKS used Wilcoxon test.*

*This research proves that shalat by filling the LKS significantly increase the value of tajwid, fiqh and akhlaq subjects of Madrasah Diniyah Ma'hadil-Hasyimy students.*

**Keywords:** *shalat, honesty, student*

## 1. Introduction

The obligation to do *shalat* five times a day for most of Muslim is a hard task, except for those who are sincere. It is as revealed by Allah himself in the Qur'an *sura* al-Baqarah verse 45-46: "And ask for help (to Allah) with patience and (do) *shalat*. And indeed such a dire, except for people who fervently [2:45]. (They are) those who believe, that they will meet their Lord and that they will return to Him. "[2:46]

*Shalat*, especially the dawn *shalat* (done around 4 o'clock in the day) is the worship that requires a willingness of Muslim. For that, education and practice of *shalat* should be taught from an early age. Since elementary school, even kindergarten, *shalat* is practiced and exercised in school.

*Shalat* does not only include the practice of physical movement, but also rote readings, as well as other accompanying knowledge, such as the legal requirement of pillars (*rukun*) of *shalat*, *wudu'*, and others. The complexity of understanding the practice of *shalat* is the reason why it needs regular practice of *shalat* since childhood.

In order to practice successfully, various teaching methods are applied, ranging from the soft method to the hard one. Islam ordered the parents to instruct *shalat* for children aged 7 years, and beat the child who left the *shalat* when they are 10 years old.

For children who are under age, the approach used is persuasive one. One approach that successfully implemented is the honesty (integrity) approach. One honesty practice that had been running for more than 3 years was implemented by the students of Madrasah Diniyah Ma'hadil-Hasyimy.

Each student was given a book called *Laporan Kejujuran Shalat* (LKS, integrity report of *shalat*) that lists the five *shalat* every day. Students are asked to fill in the column "YES" to any items of *shalat* that has been established, and fill the "NO" column of the *shalat* they leave. LKS filling can be done by the students themselves, as well as can be witnessed by the parents (when do *shalat* at home) or a teacher (when do *shalat* in school).

Every day the parents and teachers evaluate the implementation

of student's *shalat*. Teachers make a personal note on the student *shalat* activities. LKS is not included in the subject curriculum, but the LKS still got a special assessment which has four criteria: A (excellent), B (good), C (medium), and D (poor).

The goal of LKS is to improve the practice of *shalat* and honesty. LKS impact not only be measured at proficiency or fluency in *shalat*, but also in improving the honest behavior of students, both in the implementation of the *shalat*, and daily behavior of students at school and home.

*Shalat* is the activity of body movement, oral reading and concentration of mind (heart). Recitation of *shalat* is in Arabic. The more frequent *shalat*, the better will be the reading of Qur'an. Therefore, filling LKS is expected to improve the ability to read the Qur'an and memorizing short *sura* in the Qur'an.

Some subjects directly related to the implementation of the *shalat* are *fiqh* (islamic jurisprudence), *tajwid* (reading the Qur'an) and morality (ethics of personality). Filling LKS is expected to improve students' value in the above three subjects that are closely related with *shalat*.

The problems taken in this study is how the impact of LKS on student's daily behavior and their subject's value such as *tajwid*, *fiqh*, and *akhlaq*. Another problem taken were how the parents' opinion on the change of student's behavior and how the impact of LKS on their own *shalat*.

## 2. Literature Review

### 2.1 Honesty

Honesty is the congruence between words and actions. It is consistency of the heart, saying and actions. The honesty requires sincerity. Only people who can be accountable to God could do honesty.

The meaning of the word "honest" related with upright and not lying. Honesty means straightness of heart or sincerity. In general, the meaning of honesty is sincerity in implementing the tasks and

the ability to not abuse the authority given to him.

Honestly is a desirable attitude, even becomes a measure of goodness of a person's behavior. With honesty someone become a person who can be trusted. Trusted to do any work, or trusted to a responsibility, and is believed to keep important secret, either for a person, group, institutions, and even countries (LAN, 2009).

## 2.2 Integrity

Integrity is the embodiment of a dedicated identity consistently in applying the principle, and act with positive values that are known or believed. Integrity is the core of the embodiment of attitudes and behavior. Attitudes and behavior is an image of someone's personality which is seen through physical movement and mind respond to a situation or an object.

In the integrity contained the consistency between actions and values. People who have integrity, to live in accord with the principle values. A character regardless of time and place which is always showing obedience to run the code of ethics and morals, holding principles, sincere, honest and trustworthy, disciplined, have the power to maintain steadfastness/steadiness/stability/fullness, and consistent in attitude and behavior (LAN , 2009).

## 2.3 Shalat

Worship according to linguistic meaning is serving, grovel to God (Yunus, 1995:252). While in general terms is the effort both physically and spiritually according to God's command to obtain happiness and safety of life, either for themselves, family, society and the universe (Depdikbud, 1995:364).

*Shalat* according to linguistic meaning is pray, while according to the terms of *fiqh* are some specific words and deeds started with *takbir* and ended with *salam* with some conditions (al-Husainy in Jauharah, 2000:6). In the Indonesian dictionary says that "*Shalat* is implementing a mandatory ritual worship performed by a *mukallaf* moslem starting with *takbir* equipped with a *salam*, *syarat*, *rukun*, movement and certain readings (Depdikbud, 1995:866).

## 2.4 The Correlation between *shalat* and integrity, honesty and discipline

If one moslem do *shalat* on the right time and with full compliance, then gradually they will be easier to enforce integrity, honesty, discipline, trust, high morale, do not like to cheat, betray or do things vile and evil.

According to Shihab (1992 in Jauharah, 2000:40) *shalat* is a requirement of common human mind and soul, and a need to create a society which is expected by the human being (*insan kamil*/perfect moslem). According to Al-Qur`an there are some lessons that can be drawn from the *shalat*, which are: 1) Is a means to connect people with God (*hablum minallah*); 2) *Shalat* and patience as a helper; 3) To prevent from indecency and evil; 4) Having the self-discipline of wisdom over time; 5) To foster a sense of equality, unity, and brotherhood; 6) As a means to maintain personal hygiene; 7) To clean the soul and the human body; 8) To eliminate the disease from the body; 9) Increase happiness/success.

Meanwhile, according to Muhammad, (XXXX:61-68) *shalat* established and implemented with full awareness will give the positive impact in the development of the whole person, among other things: 1) Instill discipline; 2) Instilling love of cleanliness; 3) Can remove stains and sins; 4) Making face clean and clear; 5) Will always be patient and steadfast facing God's temptation, not easy to sigh and despair; 6) Make people are generous and socially minded, smart, and helpful; 7) Fear and shame to do a sin; 8) Dare to face the risk of defending the religion of Allah and Allah; 9) *Shalat* makes a person always remembers Allah and heart will be calm.

## 3. Methodology

### 3.1 Data collection

This research is a case study. Sample research are students of class VI of Madrasah Diniyah Ma'hadil-Hasyimy, Kaduara Timur Village, Pragaan Regency, Sumenep District. While the control of the research are students of class VI of Madrasah Diniyah Mabdaul-



Falah, Kaduara Barat Village, Larangan Regency, Pamekasan District. Each number of sample and control as many as 22 students.

The data in this study come from two sources: secondary sources taken from student report cards, as well as primary sources in the form of questionnaires to the parents. Test in this study consisted of two tests. The first test is the mean difference test of students of Madrasah Diniyah Ma'hadil-Hasyimy comparing between before and after the implementation of the LKS. The second test is the mean difference test between the user of LKS (students of Madrasah Diniyah Ma'hadil-Hasyimy) and non-users of LKS (students of Madrasah Diniyah Mabdaul Falah).

The subjects were assessed were *tajwid*, *fiqh* and *akhlaq*. Those three subjects were chosen because those are most associated with the practice of *shalat*. The impact of the implementation of the *shalat* can be seen in those subjects. *Tajwid* is the science of reading the Qur'an, in which the whole *shalat* is in Arabic reading, and some of the reading is taken from the Qur'an. *Fiqh* is the science of Islamic Shari'a. One of the chapters in *fiqh* is about *shalat*. *Akhlaq* is subject about ethics. The more often students do *shalat*, it is expected the better their behavior.

### 3.2 Data processing

To examine the differences between "before and after" the implementation of LKS used Wilcoxon test. According to Sulaiman (2000:79) Wilcoxon test is used to test the hypothesis that the two variables that are two related samples have the same distribution when the data are ordinal form.

To test the difference between the "sample and control" applied Run Wald-Wolfowitz test. According to Sulaiman (2000:48), Run Wald-Wolfowitz test is used to test whether two samples come from the same population or different. The analysis tool used was SPSS.

### 3.3 Hypothesis

Wilcoxon test hypotheses are as follows:

$H_0$  = student's value for *tajwid*, *fiqh* and *akhlaq* subjects before

the implementation of LKS and after implementation of LKS is the same

$H_1$  = student's value for *tajwid*, *fiqh* and *akhlaq* subjects before the implementation of LKS and after implementation of LKS is different

Run Wald-Wolfowitz test hypothesis are as follows:

$H_0$  = student's value for *tajwid*, *fiqh* and *akhlaq* subjects between the user of LKS and non-user of LKS is the same

$H_1$  = student's value for *tajwid*, *fiqh* and *akhlaq* subjects between the user of LKS and non-user of LKS is different

The test is carried out with alpha of 5%. Rule acceptance or rejection of the above hypothesis is as follows:

If the value of the significance of Wilcoxon test and Run Wald-Wolfowitz test is smaller than alpha (0.05), then  $H_1$  is accepted and  $H_0$  is rejected. If the value of the significance of Wilcoxon test and Run Wald-Wolfowitz test is bigger than alpha (0.05), then  $H_1$  is rejected, and  $H_0$  is accepted.

## 4. Research Result

### 4.1 The subject's value differences before and after the implementation of LKS

The Wilcoxon test results on the *tajwid* value of students of Madrasah Diniyah Ma'hadil-Hasyimy are: the mean before the implementation of LKS is 72.91 while the mean after the implementation of LKS is 78.95. The significance value is 0.00. Thus the students' *tajwid* value is proved increasing (see appendix 1).

The Wilcoxon test results on the *fiqh* value of students of Madrasah Diniyah Ma'hadil-Hasyimy are: the mean before the implementation of LKS is 73.68 while the mean after the implementation of LKS is 79.32. The significance value is 0.03. Thus the students' *fiqh* value is proved increasing (see appendix 2).

The Wilcoxon test results on the *akhlaq* value of students of Madrasah Diniyah Ma'hadil-Hasyimy are: the the mean before the implementation of LKS is 76.36 while the mean after the

implementation of LKS is 80.77. The significance value is 0.027. Thus the students' *akhlaq* value is proved increasing (see appendix 3).

#### **4.2 The subject's value differences between the user and non-user of LKS**

The Run Wald-Wolfowitz Test results on *tajwid* mean value of Madrasah Diniyah Ma'hadil-Hasyimy students (sample) is 78.95, while the mean value of Madrasah Diniyah Mabdaul-Falah students (control) is 78.18. The significance value is 0.767. Thus the *tajwid* value between the sample and control is not proved different (see appendix 4).

The Run Wald-Wolfowitz Test results on *fiqh* mean value of Madrasah Diniyah Ma'hadil-Hasyimy students (sample) is 79.32, while the mean value of Madrasah Diniyah Mabdaul-Falah students (control) is 70.04. The significance value is 0.021. Thus the *fiqh* value between the sample and control is proved different (see appendix 5).

The Run Wald-Wolfowitz Test results on *akhlaq* mean value of Madrasah Diniyah Ma'hadil-Hasyimy students (sample) is 80.77, while the mean value of Madrasah Diniyah Mabdaul-Falah students (control) is 74.90. The significance value is 0.077. Thus the *akhlaq* value between the sample and control is not proved different (see appendix 6).

#### **4.3 Impact on daily behavior**

Based on the results of the questionnaire it is obtained that 21 (95%) of parents stated that their children more honest (better) in their daily behavior. A number of 1 (5%) parent stated that the behavior of their children remains the same as before (see appendix 7).

The next impact of the LKS can be seen in which 19 parents (86%) stated that they are affected by their children to be more diligent in doing *shalat*, while the rest 3 parents (14%) remained unaffected (see appendix 8).

## 5. Conclusion

This research proves that *shalat* by filling the LKS significantly increase the value of *tajwid*, *fiqh* and *akhlaq* subjects of Madrasah Diniyah Ma'hadil-Hasyimy students. *Shalat* that are conducted regularly and discipline makes the students easier to read Qur'an, understand the *rukun* of *shalat*, as well as improve their behavior of their daily lives.

This research also proves that the value of *fiqh* subject of Madrasah Diniyah Ma'hadil-Hasyimy students (user LKS) was significantly higher than that of Madrasah Diniyah Mabdaul Falah students (non-users LKS), while the value of both *tajwid* and *akhlaq* subjects are not differ significantly.

Another impact of *shalat* is the change of the students' daily behavior, where students are more honest than that of before. *Shalat* by filling the LKS also helps the parents to improve their *shalat* practice.

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## Appendix 1

Wilcoxon test on *tajwid* value before and after the implementation of LKS

NPar Tests

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
taj_pre	22	72.9091	12.52772	60.00	93.00
taj_pos	22	78.9545	13.12750	60.00	98.00

Wilcoxon Signed Ranks Test

### Ranks

	N	Mean Rank	Sum of Ranks
taj_pos - taj_pre			
Negative Ranks	2 <sup>a</sup>	2.50	5.00
Positive Ranks	19 <sup>b</sup>	11.89	226.00
Ties	1 <sup>c</sup>		
Total	22		

a. taj\_pos < taj\_pre

b. taj\_pos > taj\_pre

c. taj\_pos = taj\_pre

### Test Statistics<sup>b</sup>

	taj_pos - taj_pre
Z	-3.849 <sup>a</sup>
Asymp. Sig. (2-tailed)	.000

a. Based on negative ranks.

b. Wilcoxon Signed Ranks Test

## Appendix 2

Wilcoxon test on *fiqh* value before and after the implementation of LKS

NPar Tests

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
fiq_pre	22	73.6818	8.62657	60.00	90.00
fiq_pos	22	79.3182	13.69875	60.00	95.00

### Wilcoxon Signed Ranks Test

**Ranks**

		N	Mean Rank	Sum of Ranks
fiq_pos - fiq_pre	Negative Ranks	4 <sup>a</sup>	6.63	26.50
	Positive Ranks	16 <sup>b</sup>	11.47	183.50
	Ties	2 <sup>c</sup>		
	Total	22		

- a. fiq\_pos < fiq\_pre
- b. fiq\_pos > fiq\_pre
- c. fiq\_pos = fiq\_pre

**Test Statistics<sup>b</sup>**

	fiq_pos - fiq_pre
Z	-2.933 <sup>a</sup>
Asymp. Sig. (2-tailed)	.003

- a. Based on negative ranks.
- b. Wilcoxon Signed Ranks Test

### Appendix 3

Wilcoxon test on akhlaq value before and after the implementation of LKS

#### NPar Tests

**Descriptive Statistics**

	N	Mean	Std. Deviation	Minimum	Maximum
akh_pre	22	76.3636	10.37187	60.00	98.00
akh_pos	22	80.7727	12.62625	60.00	97.00

### Wilcoxon Signed Ranks Test

**Ranks**

		N	Mean Rank	Sum of Ranks
akh_pos - akh_pre	Negative Ranks	7 <sup>a</sup>	8.36	58.50
	Positive Ranks	15 <sup>b</sup>	12.97	194.50
	Ties	0 <sup>c</sup>		
	Total	22		

- a. akh\_pos < akh\_pre
- b. akh\_pos > akh\_pre
- c. akh\_pos = akh\_pre

**Test Statistics<sup>b</sup>**

	akh_pos - akh_pre
Z	-2.209 <sup>a</sup>
Asymp. Sig. (2-tailed)	.027

a. Based on negative ranks.

b. Wilcoxon Signed Ranks Test

**Appendix 4**

Run Wald-Wolfowitz test on tajwid value between the sample and control

NPar Tests

**Descriptive Statistics**

	N	Mean	Std. Deviation	Minimum	Maximum
taj_mh	22	78.9545	13.12750	60.00	98.00
taj_mf	22	78.1818	6.82179	70.00	90.00

Wilcoxon Signed Ranks Test

**Ranks**

	N	Mean Rank	Sum of Ranks
taj_mf - taj_mh	Negative Ranks	13 <sup>a</sup>	124.00
	Positive Ranks	8 <sup>b</sup>	107.00
	Ties	1 <sup>c</sup>	
	Total	22	

a. taj\_mf < taj\_mh

b. taj\_mf > taj\_mh

c. taj\_mf = taj\_mh

**Test Statistics<sup>b</sup>**

	taj_mf - taj_mh
Z	-.296 <sup>a</sup>
Asymp. Sig. (2-tailed)	.767

a. Based on positive ranks.

b. Wilcoxon Signed Ranks Test

### Appendix 5

Run Wald-Wolfowitz test on fiqh value between the sample and control

NPar Tests

#### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
fiq_mh	22	79.3182	13.69875	60.00	95.00
fiq_mf	22	70.0455	8.72040	60.00	90.00

Wilcoxon Signed Ranks Test

#### Ranks

	N	Mean Rank	Sum of Ranks
fiq_mf - fiq_mh	Negative Ranks	15 <sup>a</sup>	197.50
	Positive Ranks	7 <sup>b</sup>	55.50
Ties	0 <sup>c</sup>		
Total	22		

a. fiq\_mf < fiq\_mh

b. fiq\_mf > fiq\_mh

c. fiq\_mf = fiq\_mh

#### Test Statistics<sup>b</sup>

	fiq_mf - fiq_mh
Z	-2.307 <sup>a</sup>
Asymp. Sig. (2-tailed)	.021

a. Based on positive ranks.

b. Wilcoxon Signed Ranks Test

### Appendix 6

Run Wald-Wolfowitz test on akhlaq value between the sample and control

NPar Tests

#### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
akh_mh	22	80.7727	12.62625	60.00	97.00
akh_mf	22	74.9091	6.80972	60.00	90.00



## Wilcoxon Signed Ranks Test

**Ranks**

		N	Mean Rank	Sum of Ranks
akh_mf - akh_mh	Negative Ranks	14 <sup>a</sup>	12.93	181.00
	Positive Ranks	8 <sup>b</sup>	9.00	72.00
	Ties	0 <sup>c</sup>		
	Total	22		

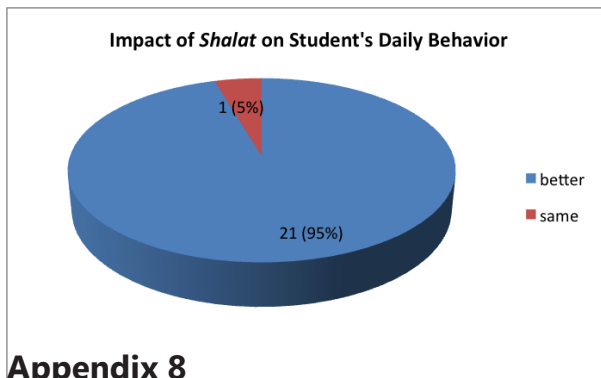
- a. akh\_mf < akh\_mh
- b. akh\_mf > akh\_mh
- c. akh\_mf = akh\_mh

**Test Statistics<sup>b</sup>**

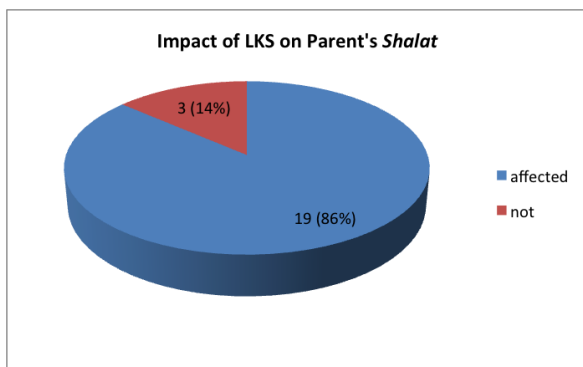
	akh_mf - akh_mh
Z	-1.770 <sup>a</sup>
Asymp. Sig. (2-tailed)	.077

- a. Based on positive ranks.
- b. Wilcoxon Signed Ranks Test

## Appendix 7



## Appendix 8



# **The Integrity of Knowledge and Charity: The Implementation of Surah Al Ma'un in Corporate Social Responsibility at Business Unit of Muhammadiyah Case Studies at PKU Muhammadiyah Yogyakarta Hospital**

Muhammad Najih Farihanto S.I.Kom

## **Abstract**

*Corporate social responsibility is a concept where the company or organization is responsible and care about their social environment. They work not merely to obtain profit but there is also a moral basis so they can provide profit to the community and environment. What we have to realize is that corporate social responsibility's activity should not always be identical with large companies such as multinational corporate and national corporate but also the civil society organization which has many charitable activities such as Muhammadiyah.*

*Muhammadiyah is an organization founded by KH Ahmad Dahlan in 1912. In developing this organization he aspires to an advanced Islamic establishment with an emphasis on the implementation of Surah Al Maun. This Surah contains a teaching about solidarity and social compassion. Departing from this surah he developed various charitable efforts. Until this moment, Muhammadiyah has 151 colleges where 10 of them belong to Aisyiyah, 360 hospitals and clinic which spread all over Indonesia.*

*This paper shows that CSR which is based on Surah Al Maun can bring many benefits to the business unit of Muhammadiyah. One of the benefit is to enhance moral awareness about solidarity and social compassion and also the activities of CSR are not solely for the sake of profit.*

*This paper used case study method in order to be more focus on the object as well as being able to explain the objects around the study. This paper also used interview method, document search and direct observation in the process of collecting data.*

**Keywords:** *Surah Al Maun, CSR, Muhammadiyah.*

## 1. Introduction

Corporate Social Responsibility (CSR) is a concept where companies are asked to realize their social responsibility and not just to get profit for the stakeholders, but also can give benefit to society and particularly community. (Iriantara, 2007:46). Besides that, we have to know that this activity is not only for a multinational or national companies identically, but also society organizations which have a lot of charity operations, one of them is Muhammadiyah.

Muhammadiyah is a society organization which founded in 1912 by KH Ahmad Dahlan. His desire was advanced Islam by implementing of Sura Al Ma'un. This sura educates about solidarity and charity and Muhammadiyah can be a big society organization right now by implementing this sura. Muhammadiyah's expansion in all over this country also followed by the development of Business Unit of Muhammadiyah in education sector. By the spirit of sura Al Ma'un, Muhammadiyah built educational institutions from kindergarten (Bustanul Athfal) to college. Now, there are 151 Muhammadiyah colleges and 10 Aisyiyah colleges spread out all over the country. The spirit of sura Al Ma'un also inspired the founder of Muhammadiyah to establish Business Unit of Muhammadiyah in health sector. Muhammadiyah established Majelis Penolong Kesengsaraan Umat (PKU) at beginning, it was known as Penolong Kesengsaraan Oemoem (PKO), which was officially declared in 13th, Januari 1923. M Suja, one of KH Ahmad Dahlan student was appointed as a chairman. As philosophy, Business Unit of Muhammadiyah was established in order to help people from misery. Then, how is Business Unit of Muhammadiyah in health sector now? It has a very rapid growth. Besides the colleges graduate health specialist, Muhammadiyah also has many hospitals among this country. There are 360 hospitals dan medical clinics of Muhammadiyah.

The spirit of sura Al Ma'un had inspired Muhammadiyah in establish Business Unit of Muhammadiyah, then how about the implementation of this sura in corporate social responsibility (CSR)? In this paper, the writer will research comprehensively about the implementation of sura Al Ma'un in corporate social responsibility in

Business Unit of Muhammadiyah, particularly PKU Muhammadiyah Yogyakarta Hospital. The writer will begin with literature about sura Al Ma'un and CSR concept.

## 2. Literature

### 2.1. Sura Al Ma'un and Muhammadiyah

Sura Al Maun is the 107th sura in Koran, consists of 7 verses and it includes in sura Makkiyah (the surah that was descend in Mekkah). Among its contains is the admintion for them who doesn't care of orphans dan the haven't. They can called the false religion. Contrary, for them who care of orphans and the haven't, they can feel heaven, as prophet Muhammad said : "I'm with the one who care about orphans like this," and he shown his two fingers, index finger and middle finger. (Bukhori's exegesis ). The translate of sura Al Maun can we see as below :

"..(1) Do you know (people) who are the liar of their religion? (2) they are people who rebuke the orphans, (3) and don't suggest to feed to the indigents (4) then, it is a severe blow to people who pray (5) (they are) people who careless in their pray, (6) people who show off, (7) and unwilling (help with) the usefull things. "

From this sura, we can take many lessons, such as advice to feed to indigents and orphants, advice to pray in time, do charity and good behaviour to another by giving and borrowing things even it is a little, and sincerely in doing something and beware of show off and sum'ah (Asy-Syaqawi, 2010:7-8).

KH Ahmad Dahlan's exegesis through this sura Al Maun provided his charity such as hospitals, orphanage, old folke's home, indigent house and many other charity to indigent. The exegesis of this sura was slant many actions of the orphans and indigents freedom in the realm of Marxims in a proletarian manner, so there was such an Al Ma'un legend among Muhammadiyah activist. (Mulkan, 2010:XXXV).

The Al Ma'un's perspective is being the basis of Muhammadiyah's movement until now. It was emerged from an activity of reading Al-

Qu'ran where Ahmad Dahlan always repeat sura Al Ma'un to his students, until they were bored and protested Kiai, because they were already known well this sura. Kiai Dahlan was not only taught about this sura, but also how to implemented it. The perspective of sura Al Ma'un then became deeply rooted in the Muhammadiyah and it can establish until now and being trusted by society as an social organization with charity value (Qodir, 2010:50).

## **2.2. Corporate Social Responsibility**

Corporate Social Responsibility (CSR) (Wood, 1991) is a form of corporate management which is integrated into business model. The function of CSR's policy is develop mechanism, management by it self by monitoring business and make sure that there are an active obedience through spirit of law, ethic's standard, and international rules. The purpose of CSR is account corporate's activities and urge a positive impact through social activities, consumens, employees, society and stakeholders and other as a stakeholder from public sphere.

Responsibility is very interrelated with rights and obligation, that will cause an awareness of responsibility. According to the writer, there are two awareness in CSR. First, awareness that emerge from heart which is called ethics and moral. Second, awareness of law with force's character in the form of indictments which is escorted by law's sanctions or more in coersif manners or forces.

There are four hypothesis and approaches that relevant to this CSR's theory , such as economy, politic, social integration and ethic. The source of this hypothesis comes from four aspects as we mention. According to Parsons (1961), this can be seen in social system: adaptation of environment (resource and economy), purpose raise (politics), integrations, social and latency (culture and norms). From this hypothesis, we can classify the theories into four groups :

- 1) First group, corporation is an instrument that can create riches and it is a social responsibility. Only economic aspect consider through interaction of business and society. So, whatever the social activities

of companies, it should be accepted as long as it is consistent with profit. This group can be called a role theory because their point of view of CSR is an instrument that can create riches.

- 2) The second group where a company emphasizes a social manner, particularly a company that related to society and its responsibility in political field. This causes company has to accept its social duty and social rights, or participating in other social activity. This group is called political theory.
- 3) The third group, considering that company's business should be integrated with social demand. Their argument is the growth and establishment of company's business depends on society. It is called integrative theory.
- 4) The fourth group is theory that beyond of relation of business and society, there are ethics values. By this understanding, the vision of CSR from ethical perspective, and for the consequences, company has to accept social responsibility as a moral obligation. This is called ethical theory.

From four hypothesis of CSR above, it can be analyzed that the fourth group is an ideal group in implementing CSR, where there are integrated values between business and society, so it can create a moral basis in business operations.

One of CSR's impact is the creation of good reputation of organization. Argenti (2010:96) said, reputation can be created from integration in stakeholders. That because reputation is a constituent product from internal and external public, it also based on organization constituent's perception. On the other words, reputation is collection of images from constituent's point of view.

CSR basically can increase organization's reputation, but if we see through four hypothesis of Parson, CSR activity to increase reputation, particularly financial reputation, shows organization still work for itself without balancing with society. Besides, based on sura Al Ma'un verse 6 and 7 that substances about prohibition of show off. On the other words, this prohibition is advice that we have to be sincere with all the things that are given without expecting repayment that is worldly manner.

### 3. Research Methods

#### 3.1. Research desain

This research uses case study method by researching empirical problem about one case. The method is used so the research can focus to the object and it can explain another objects around the research. Case study can be done when researcher want to understand of a phenomenon. (Wimmer and Dominick, 2006:136).

#### 3.2. Research Location

This research will take place in Business Unit of Muhammadiyah, that is PKU Muhammadiyah Hospital, because it is a pioneer of Muhammadiyah's hospital in Indonesia and it was a real step of KH Ahmad Dahlan in implementing sura Al Ma'un.

#### 3.3. Data collection

There are three techniques of data collection in this research:

- 1) **Interview** This technique will involve the related informans. They are Drs H. Hamdan Hambali, Director of Islamic Spiritual Establishment, PKU Muhammadiyah Hospital and some informans who involve in CSR at PKU Muhammadiyah Hospital.
- 2) **Document literatures.** This technique includes collecting of organization tasks literature, secretarial tasks, and other related documents. The forms of literatures such as tabloid, in house magazine, books, reference and another document.
- 4) **Observation** is needed to know the real condition of research location. Besides two techniques above, visual data from observation can describes the situation entirely, so we can describe and answer the research questions. This observation will take place according to research location.

#### 3.4. Data processing and research presentation

Collected data then will learned and provided according to all of datas from interview, document literatures and observation, so we can find a sincronizing data and it can makes research easier until reporting step.

### 3.5 Research limitation

According to the problem identification, the limitation in this research is delveing into sura Al Ma'un's implementation in case of CSR's activities of PKU Muhammadiyah Hospital.

## 4. Discussion

### 4.1. History if PKU Muhammadiyah Hospital

In it first establishment in 15th February 1923, PKU Muhammadiyah Hospital has known as a clinic. Located in Jagang Notoprajan district in Yogyakarta. It was named PKO ( Penolong Kesengsaraan Oemoem) with intention was to give health service to indigent, by inisiative of H.M. Sudjak which was supported from KH Ahmad Dahlan. Along with the era, around 1980, the name PKO was changed and was became PKU (Pembina Kesejahteraan Umat). In 1928, the clinic grown and was became polyclinic of PKO Muhammadiyah. PKO then moved to a suitable place by rent a building in Ngabean street number 12 B Yogyakarta (now is known as KH Ahmad Dahlan street). Eight years later, in 1936, PKO Muhammadiyah was moved to KH Ahmad Dahlan street number 20 Yogyakarta until now. In 1970, clinic and polyclinic were became PKU Muhammadiyah Hospital Yogyakarta until now.<sup>1</sup>

As a charity activity of Muhammadiyah, PKU Muhammadiyah Hospital purposes was not just in helping indigents who sick, but also an efforted to raise purpose and aim of Muhammadiyah, that was maintain and hold high the religion of Islam so it could raise the real Islamic society. So that, all of activities always directed to Islam proselityzing "*amar ma'ruf nahi munkar*"(doing good thing and avoiding bad thing). All employees, from management, doctors, nurses and many else had to possess an Islamic spirit and Muhammadiyah spirit and they also have to possess social care in society, outside and inside of PKU Muhammadiyah Hospital.<sup>2</sup>

1 <http://www.rspkujogja.com/profil/sejarah>, downloaded 1th, March 2013.

2 PKU Muhammadiyah Hospital's file



## 4.2. CSR in PKU Muhammadiyah Hospital and Sura Al Ma'un

PKU Muhammadiyah Hospital that has proselytize mission to create purpose and aim of Muhammadiyah, that is maintain and hold high the religion of Islam so it can raise the real Islamic society. All of social activities of PKU Muhammadiyah Hospital are based on the spirit of sura Al Ma'un, where this sura advises to feed to indigents and orphans and also be kind to another by lend them movable goods even it is little. By this spirit, PKU Muhammadiyah Hospital does many social activities or semi social activities, one of them is extramural and Bazais (Badan Zakat, infaq and shadaqah).

### 4.2.1 Extramural

Extramural<sup>3</sup> forms an outside activities of PKU Muhammadiyah Hospital Yogyakarta, in order to serve a good quality. One of this activities is a Faithful Social Service and P3K. Faithful Social Service is a health screening activity that is held in demand of society or institution. The activities includes health screening, consultation and illumination for hypertension, diabetes mellitus etc.

P3K service forms a health service as colleague to particular activity that involve many people, such as bike activity, walking activity, parade, meeting, etc. In doing its job, P3K service is completed with official of health and extramural ambulance with P3K equipment. Besides P3K service, the Extramural of PKU Muhammadiyah Hospital also serve Circumcision Care forms a circumcision service that is held from society/organization demands, particular institution, or the hospital it self.

Besides, the hospital organizes social approach which is non medical activity but social activity, with a society as an object. One of this activities is Establishment Society, which is build and develop villagers to become a pure villagers and can support the mission that is quality of health. Hospital also has Establishment Service for advanced age and children under five, it located around the hospital, as recommendation of Health Department.

3 Interviewed with Hamdan Hambali, Director of Islamic Spiritual Establishment PKU Muhammadiyah Hospital in 28th, February 2013.



**Picture 1 : Establishment Villagers of PKU Muhammadiyah in Gunung Kidul accepted clean water support**

#### **4.2.2 BAZAIS (Badan Amil Zakat Infaq and Shadaqah)**

Bazais<sup>4</sup> of PKU Muhammadiyah Hospital aims to accommodate the tithes from Muslim people whether individually or group. This organization also distributes the tithes to people who deserve to accept.

The source of Bazais comes from 2,5% monthly medical service (netto) of doctors specialist, doctors, dentists, and pharmacists whom are work in PKU Muhammadiyah Hospital Yogyakarta. Another sources come from philanthropis, society and particular institution.

The targets of Bazais are people whom he/she needs a help for educational cost from kindergarten to student in college, medical patient who's being treated at the room class III, medical patient such as daily employee, pedicab driver, parking official, and the haven't. For example of Bazais activity is social activity which was held in November, 2012<sup>5</sup>. 155 head of households who are indigents were got sympathetic care in the form of money. Approximately, two to three of them were still needed support to pay their children's school cost. Total financial support was raised to Rp26.610.000. Every head of household accepted different amount of money,

4 Interviewed with Hamdan Hambali, Director of Islamic Spiritual Establishment PKU Muhammadiyah Hospital in 28th, February 2013.

5 <http://www.rspkujogja.com/beritaartikel/berita/180-bazais-rs-pku-jogja-bagikan-santunan>, downloaded in, 1th, March 2013.

from Rp90.000 to Rp500.000. This differences support according to particular situations, such as, educational level of their children and index of performance in school. For children who still study in kindergarden or children under age education level, they got Rp75.000, students in elementary school/Madrasah Ibtidaiyah level got Rp.90.000, students in secondary school level got Rp 105.000, students in senior high school got Rp120.000 and students on college got Rp 500.000. Islamic agenda was the agenda where this fund support was given an this agenda located at PKU Hospital Yogyakarta. This fund support was came from withholding of doctors and employees's salary who work in PKU Hospital. This charity agenda organizes routinely every three month. Indigents such as pedicab driver, newspaper seller, small trader, parking official, servant etc are the receiver of this fund support. This charity activity has been organizing for many years and giving a good impact for the receiver, specially in helping children's school cost. Suharjo (54 years old), one of the receiver said that he was so thankfull to PKU Muhammadiyah Hospital for this fund support. "I hope this BAZAIS fund that was came from withholding of doctor and employess's salary of this hospital will bring a favor."



Picture 2. BAZAIS was gave the fund support to the indigents

### 4.3 The Impact of CSR of PKU Muhammadiyah Hospital

There were many impacts of the CSR of PKU Muhammadiyah Hospital that based on the spirit of sura Al Ma'un. Among them, society can get knowledge to improve their awareness about solidarity and social careness. This activity also became a spritual

mission about doing good thing and avoiding bad thing (amal ma'ruf nahyi munkar). It was not just a charity agenda, but educate people to do the same thing. Besides, the organizer always invite Islam teacher (Ustadz) to speech. <sup>6</sup>

Parsons (Garriga and Male, 2004:52-53) said that one of the hypothesis of CSR's theory is ethics's value in the relation between business and society. This hypothesis then influences CSR's vision from ethics side as a consequence, a corporate has to accept social responsibility as a moral duty. From this hypothesis, we can see the integration between business value and society value so a moral basic in operating its business will emerge. PKU Muhammadiyah Hospital as a one of Business Unit of Muhammadiyah is not just working for profit oriented, but also social life careness by implementing sura Al Ma'un.

Another impact is a good reputation for this organization. Argenti (2010:96) said, good reputation can raised if there is an integration image between stakeholders, because reputation is a constituent product between internal and external, and it comes from all of organization constituent's perception too. On the other words, reputation is an images that come from constituent which they have been perceive for a long time. CSR of PKU Muhammadiyah Hospital either, can raise a good image and reputation in society. But this is just a plus value, because the most important aim beyond this charity activity is helping people from misery by doing charity activity.<sup>7</sup> According to the content of sura Al Ma'un particularly verse 6 and 7 about avoiding to show off with own things, this verses also can mean people have to do a thing sincerely without hoping repayment.

CSR activity can improve organization's reputation. But if we look back Parson's four hypothesis about CSR (Garriga and Mele, 2004:52-53), CSR that builds reputation financially, then the organization is still organization oriented without social oriented.

6 Interviewed with Dani Fadhillah, Muhammadiyah who was attended the BAZAIS charity activity 28th, February 2013.

7 Interviewed with Hamdan Hambali, Director of Islamic Spiritual Establishment PKU Muhammadiyah Hospital in 28th, February 2013.

## 5. Conclusions and suggestions

From the explanation about sura Al Ma'un implementation on CSR of PKU Muhammadiyah Hospital, there are some conclusions and suggestions as we see below :

First, all of social activity in PKU Hospital was based on sura Al Ma'un, which was advised us to be a kind person to another by giving a loan even it is little. So that, PKU Muhammadiyah did its social activity and semi social activity, such as Extramural dan Bazais.

Second, the impact of CSR activity which was based on sura Al Ma'un, people was educated in order to increase their awareness about solidarity and social careness. This also proven that CSR was used etical perspective as a consequence, where the organization has to accept its social responsibility as a moral duty.

Third, CSR created a good reputation for organization, but this was just a plus value, because the most important aim beyond this charity activity was helped people from misery by doing charity activity, as suggest of sura Al Ma'un, particular verse 6 and 7 about avoiding to show off with own things.

Fourth, the spirit of KH Ahmad Dahlan in implementing sura Al Ma'un was liable to be done. This spirit was proven by KH Ahmad Dahlan's student by built a clinic then it was grown and became one of the biggest hospital in Yogyakarta. The integrity of knowledge and practise which was done by KH Ahmad Dahlan and his students then caused many good impacts and benefit to society.

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# Building Integrity Through The Implementation of Achievement Credit System

Koko Srimulyo  
Eduardus Bimo Aksono H  
Ferry Efendi

## Abstract

*Building a culture of integrity has been a long concern in Airlangga University of Indonesia. In line with the goal of Airlangga University to be an excellent with morality, system has been developed to promote integrity. Achievement Credit System (SKP) is the instruments used by the student affairs directorate to acknowledge their achievement in soft skills activity which is expressed in Achievement Credit Point. Adherence to moral principle or having integrity is one of the soft skill attribute which is incorporated in this system. In this article we will present our case study of SKP's implementation in shaping their integrity. An interview was undertaken to explore participant view on this system. Data analysis was conducted by organizing the data into common themes to look for an answer that give meaning to the case study. Alumni was randomly selected from graduates of various faculties at Airlangga University. Achievement Credit System can enrich the student to develop integrity when they graduate. Participant voiced SKP as an useful system which is facilitate them to develop their integrity. This system offer flexibility and various program, each of the program offers them with moral value. The students thought SKP as media to train them to live together, mutual respect, cooperation, honesty and behave ethically. This system embedded in the graduation requirement as a compulsory program to enhance the system effectiveness. Even though, judged as success system, more evidence needed to support the impact to the graduate. This system can be considered as one of tools to promote integrity through student events.*

**Key words:** *integrity, achievement credit system, achievement credit point*

## 1. Introduction

Development of society and the workplace in the global era required qualified human resources. Therefore, Airlangga University (Unair) in accordance with the vision and mission sees the need to produce high-quality graduates, both in the side of *hard skills* and *soft skills*. In the learning process, Unair encouraging students to explore the experiences of student activities in order to have more value. For this purpose, Unair needs appreciating extracurricular and non-curricular activities in the form of achievements credit such as the provision of semester credit in intra-curricular and co-curricular activities (Direktorat Kemahasiswaan, 2011).

Higher education aims to prepare students to be members of the community who have the academic ability and professionals who can apply, develop and enrich science, technology and arts. They also expected to develop and disseminate science, technology and arts to improve people's lives and enrich the national culture. The new paradigm in higher education is the emphasis on the ability to develop the nation's competitiveness and ability to implement autonomy with transparency and accountability as a form of accountability to the public. In the era of globalization of higher education should be able to be the creator of science and technology, excellent planner with comparative and competitive approach.

Students as young people have potency to continue to develop critical thinking and attitude, dynamic and idealistic. As a national asset should be given the widest possible opportunity to actualize themselves in order to develop into human beings who are intelligent, knowledgeable, skilled, religious, and devoted, and has high scientific responsibility in service to the community and the nation. Therefore, students are expected not only to pursue the field of science course (*hard skill*), but also to develop *soft skills*. Airlangga University as one of the colleges that have status BHMN (state owned enterprise) obliged to develop and facilitate not only intra-curricular activities, but also co-curricular and non-curricular extracurricular activities to realize University based on *morality*.



In a milestone of Unair, student activities namely: (1) Increasing participation in student activities (2) achievement of student activity at the local, regional, national and international level, (3) Development of a steady student organization, as well as, conducive to leadership development (4) Ensuring the overall student welfare and justice. This means that all activities of student development such as development activities of the organization and leadership; activity interests, talents and passions; field activities and scientific reasoning, social awareness and other activity should be oriented to achieve these milestones. A series of structured activities organized by Directorate of Student Affairs Airlangga University aims to provide insight into the belonging of graduate and *soft skills ability*.

#### Credit Point and Program Offered in SKP (Direktorat Kemahasiswaan, 2011)

In general, there are two programs offered in SKP, a mandatory and elective one. Details are below:

##### A. Mandatory program

No.	Activity	Participation or Achievements obtained	Credit	Basic Assessment
1.	PPKMB (Mutual Mentoring Program for New Student)	Participant	<b>25</b>	Sert / SK / SP
2.	KKN-BBM (Community service)	Participant	<b>25</b>	Sert / SK / SP

##### B. Elective program

###### 1. Activities of Organization and Leadership

No.	Activity	Level	Position/Title	Credit	Basic Assessment
1.	Governing Organizations	International	Chairman	<b>100</b>	Sert / SK / SP
			Vice Chairman	<b>80</b>	Sert / SK / SP
			Secretary	<b>80</b>	Sert / SK / SP
			Other Main Board	<b>70</b>	Sert / SK / SP
			Board Members	<b>60</b>	Sert / SK / SP
		National	Chairman	<b>75</b>	Sert / SK / SP
			Vice Chairman	<b>65</b>	Sert / SK / SP
			Secretary	<b>65</b>	Sert / SK / SP
			Other Main Board	<b>50</b>	Sert / SK / SP
			Board Members	<b>40</b>	Sert / SK / SP

2	Leadership Training	Advance		<b>40</b>	Sert / SK / SP
		Intermediate		<b>30</b>	Sert / SK / SP
		Basic		<b>20</b>	Sert / SK / SP

## 2. Scientific Activities

No.	Activity	Level	Participation and / Achievement	Credit	Basic Assessment
1.	Achievements in Scientific Writing Competition / Environmental / Creativity / Innovative / Critical Thinking / Entrepreneurship / Business Plan	International	First Place	150	Sert
			Second Place	140	Sert
			Third Place	130	Sert
			Finalist	100	Sert
			Selected Participants	75	Sert
		National	First Place	100	Sert
			Second Place	90	Sert
			Third Place	80	Sert
			Finalist	75	Sert
Selected Participants	60	Sert			
2.	Patent or innovation			150	Sert / Patent
3.	Writing in scientific papers	International	Chairman	150	Copy of work
			Member	75	Copy of work
4	MAWAPRES (Student excellence program)	International	First Place	150	Sert / SK / SP
			Second Place	140	Sert / SK / SP
			Third Place	130	Sert / SK / SP
			Finalist	100	Sert / SK / SP
			Selected Participants	75	Sert / SK / SP

## 3. Interests and Talents Activities

No.	Activity	Level	Participation and / Achievement	Credit	Basic Assessment
1.	Achievements in Interest and Talent field (Sports, Art and Spirituality)	International	First Place	150	Sert / SK / SP
			Second Place	140	Sert / SK / SP
			Third Place	130	Sert / SK / SP

2.	Following activities Interest and Talent (Sports, Art and Spirituality)	International	Delegation	100	Sert / SK / SP
			Invited participants	50	Sert / SK / SP
			Additional Participants	30	Sert / SK / SP
		National	Delegation	75	Sert / SK / SP
			Invited participants	35	Sert / SK / SP
			Additional Participants	20	Sert / SK / SP

#### 4. Social Care Activity

No.	Activity	Level	Participation and / Achievement	Cr edit	Basic Assessment
1.	Involvement in social service	International		60	Sert
		National		50	Sert
		Regional		40	Sert
		University		30	Sert
		Faculty		20	Sert
	Department		10	List of Attendees	
2.	Disaster Relief			50	SK / Sert / Doc.
3.	Mentor at recitation, PAUD, TPA, LBB			20	SK / Sert

#### 5. Other Activities

No.	Activity	Level	Participation and / Achievement	Credit	Basic Assessment
1.	Flag Ceremony			10	List of Attendees
2.	Emotional and Spiritual Quotient (ESQ) activity		Participant	20	Sert / Attendance
3.	Visits / study tours			20	Sert / Attendance
4.	Internship			50	Sert
5.	Research Internship			30	Sert

Annotation:

- SK: decree
- Sert: The certificate
- SP: Letter of assignment
- Doc: Documentation (Picture / Video, etc..).

## **2. Case Study Method**

Authors collected the data using semi structure interview (Colorado State University, 2013), prior to interview, participant was asked for their willingness being a respondent. A semi-structured interview is flexible, allowing new questions to be brought up during the interview as a result of what the interviewee says (Lindlof & Taylor, 2002 ). Seventh alumni were recruited and participated, the list of questions as below:

- 1) Do you think SKP is helpful to you? Please kindly explain?
- 2) Does SKP affect your moral formation?
- 3) Is there any impact of SKP on the integrity and character in your work?
- 4) Which program do you consider useful in SKP? Please kindly explain?
- 5) Do you think the distribution and credit point of SKP is appropriate? Please explain more?

## **3. Analysis**

Achievement of Credit System or SKP has changed the way of student thinking, previously they rely on academic achievement, but through this system they should re thinking and looking for other activity outside of the academic field. According to the participants voiced, there were several theme generated from the participant view.

### **3.1. Benefit of SKP**

All of the participants voiced SKP as useful system, which was support them with added value besides of hard skill. They thought

by following several program suggested in SKP, it will support them in the near future as one participant's voiced "Great system, by following the program I know many friend from other faculty, learning, sharing, and I can manage my self properly".

### **3.2. Integrity in the workplace**

Talking about integrity, majority participants voiced that SKP has affected them in their manner on the job place. The effect specifically related to the program which has they joined. Even though all of the program intended to enhance student integrity but each student may have a different perception and interest. One participant voiced "I think so, I still remember when I was joining ESQ training, and it was tremendously affecting my mind. It was made me excited, happy, proud, sad and even crying. Until now, I still remember, and I would like to implement the value in my workplace". Other said "I would say so, I was a mentor in Al-Quran recitation for a new student. Although we did not get any salary, but we were extremely proud and happy, we used to live in idealism way".

### **3.3. SKP in moral formation**

Moral shaping is affected by many factors, in this study the participants agreed to say that SKP sufficiently affected their moral formation. Alumni voiced "in my opinion yes, because it was affected the way I behave and look at myself. It was changing my negative attitude to be proactive, and this is one foundation to shape a good morality". Other voiced "Maybe, as I was joined the compulsory program and submit one achievement in scientific competition at regional level, but at least this is a good start to implement motto *excellence with morality*".

### **3.4. Favorite Program in SKP**

Respondents prefer to choose favorite program based on their hobby and interest. For instance, the student who interest in organization field, they prefer to choose LKMM (leadership training), organizing people or become the head of student organization. One voiced "I was interested in organizational activities, I was chosen as

the head of student organization and actively participated in the student networking as a board member". Scientific, social service and religious activity also mentioned as student preference in SKP system.

### **3.5. Distribution and credit value of SKP**

Three respondents voiced that the distribution and credit point were appropriately distributed and valued. They thought this system well established and appropriately managed as the credit point has adjusted differently for each level. One voiced "I think so, it has different values between national, regional and also judged based on our role in an event, it is fair". Four others disagree as they mentioned some activity yet valued by SKP. They also arguing for the credit point, the credit point was not equal with the activity. Sometime the activity very tight and hard, but the credit point was too low. One voiced "Not yet, some activity has not facilitated in SKP and also the credit point too low, but overall, it was meaningful program".

## **4. Lesson Learn**

Inserting Achievement of Credit System (SKP) into education system would add the moral value of learners. This study highlighted the need of student in supporting their future career by given them with integrity program. As this system is mandatory, it can motivate the student to fulfill the credit before their graduation. This program need further exploration in related to the moral formation, distribution and credit point.

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MORAL INTEGRITY THROUGH RELIGIOUS-BASED EDUCATION: RELIGIOUS GROUPS AND EFFORTS IN COMBATING CORRUPTING AND BUILDING INTEGRITY

# The Roles of Nahdlatul Ulema and Muhammadiyah in Eradicating Corruption in Indonesia

Akbar Meirio

## Abstract

*Indonesia faces a very serious problem of corruption. According to the result of the survey conducted by Transparency International in 2012, with a score of 32 out of 100, the Corruption Perception Index of Indonesia ranked 118 out of 176 countries in surveyed.*

*If religion is comprehended as a factor that will lead human-being to honesty and sincerity, the fact that most Indonesian tend to practice their religion well somehow contradicted with the current problems of corruption Indonesian faced. This reality has become a huge concern of NahdlatulUlema and Muhammadiyah, the two biggest Islamic organizations in Indonesia. Since early 2002 these organizations have carried out several efforts dedicated to help eradicate corruption.*

*This paper observes the roles of NU and Muhammadiyah in eradicating corruption in Indonesia through exploring cultural and structural efforts as well as approaches applied by these organizations. This paper also assessed the effectiveness of the application of the strategies and approaches.*

**Key words:** *corruption, Islamic organizations, cultural strategies, structural strategies.*



## 1. Introduction

Indonesia is currently facing a very serious problem of corruption. The results of the surveys conducted by international institutions whose concerns on eradicating corruption lately always placed Indonesia in the highest rank of the corrupt country in the world. The latest survey conducted by Transparency International in 2012, with a score of 32 out of 100, the Corruption Perception Index of Indonesia ranked 118 out of 176 countries in surveyed (Transparency International, 2012). The score indicates that Indonesia is still part of the most corrupt countries in the world.

The condition of corruption in Indonesia seems to be contradictory with the fact that most of Indonesian people are followers of religion. According to the latest national census, 87 percent of the population is Muslim, while the rest are Christian, Catholics, Buddhist, Hindu and Confucian. The followers of these religions, in fact, commit the corruption acts which are basically considered as a sin by their religion.

In his article, Salahuddin Wahid, the Head of Islamic Boarding School (*Pesantren*) Tebu Ireng, cited the survey conducted by Riaz Hassan from Flinders University (Australia) indicating that 99 percent of Indonesian Muslim practice fasting and 96 percent practice praying. Wahid believed that the Muslim who became corrupt officials, businessmen and lawyers also practice fasting and praying. However, he concluded, "The fasting and praying they practiced could not prevent them from intentionally committing sins [by doing corruption]" (Wahid, 2011).

When the research for preparing this paper was conducted, the shocking news about the arrest by the *Komisi Pemberantasan Korupsi/KPK* (Corruption Eradicating Commission) of the President of *Partai Keadilan Sejahtera/PKS* (Justice and Welfare Party), the biggest Islamic party which always claims as being clean and care, due to his suspected involvement in bribery case of beef imports. This exposed the fact that even a religious political leader and teacher (*ustadz*) might be involved in corruption.

Many research show that corruption has become a culture

in Indonesia. It becomes part of the life of the people from the neighborhood level until the national level. This reality has invited a huge concern of Nahdlatul Ulema and Muhammadiyah, the two biggest Islamic organizations in Indonesia. Since early of 2000 these organizations have carried out several efforts dedicated to help eradicate corruption. This paper will describe the efforts of NU and Muhammadiyah in helping eradicate corruption in Indonesia. This paper will analyze the effectiveness of the efforts and also provide some recommendations for improving the effectiveness of the efforts.

## 2. Methodology

This paper is a result of a research conducted from 18 February until 15 March 2013. The methodology used for this research is literature review. The literature review was conducted through several books, articles in newspapers and other reading materials available on-line.

## 3. The Fight against Corruption

NU and Muhammadiyah have shared a lot of concerns on the development of good governance in Indonesia. Both organizations also have played important roles in bringing Indonesia from the new order era into the reform era.<sup>1</sup> The leaders of these organizations in late 1990s, Amien Rais and Abdurrahman Wahid were acknowledged publicly as '*Tokoh Reformasi*' or the Pioneer of the Reform Movement. Amien Rais was then elected as the spokesman of the People's Consultative Assembly (MPR) for the period of 1999-2004, whereas Abdurrahman Wahid was then elected as the President of RI for the period of 1999-2001.

However, the reform era, which is marked by the blossoming of democratic political system and decentralization, does not

1 The new order era in Indonesia lasted from 1967 to 1998. This era was marked by the rapid development of Indonesia as well as the authoritarianism political system under the Presidency of Suharto. Thanks to the reform movement in May 1998, Suharto resigned from the power, and the reform era started.

necessarily lead to the diminishing of corruption. In fact, democracy and decentralization system in this era appears to also exacerbate the problems of corruption in Indonesia. Having realized the serious problem of corruption in Indonesia, since early 2000, NU and Muhammadiyah, institutionally, have carried out several efforts to eradicate corruption in Indonesia.

The most important efforts taken by NU and Muhammadiyah are the reinterpretation and redefinition of Islamic law on anti-corruption, including the issuance of stronger fatwa (religious decree) to combat corruption.

In 2002, the *Musyawarah Nasional/Munas* (National Meeting) of Religious Leaders of NU has agreed that the people committing corruption (or corruptors) should be given strong punishment, ranging from sentence to hand-cutting to sentence to death. *Bahsul Masa'il* or the forum to discuss Islamic law and issue fatwa in the meeting also issued a religious decree stated that the corpse of the corruptor is forbidden to be prayed by the NU's Religious Leaders of *Kyai/Ulema*. (Tempo Interaktif, 26 May 2011).

From 2003 to 2006, facilitated by a UNDP supported local NGO, Partnership for Governance Reform in Indonesia or *Kemitraan*, NU and Muhammadiyah moved in synergy to combat corruption.<sup>2</sup> Under this facilitation, on 15 January 2004, NU and Muhammadiyah declared a movement called *Gerakan Nasional Pemberantasan Korupsi* (National Movement for Eradicating Corruption). This so-called "moral movement" is designed to build more courage of the society to combat corruption. In the longterm, this movement is aimed to strengthen the cultural basis and education for anti-corruption through community empowerment (Tempo Interaktif, 15 January 2004)

One of the activities under this movement is the formulation of the *Fiqh* or Islamic Jurisprudence to combat corruption. In 2006, a book entitled "*NU Melawan Korupsi: Kajian Tafsir dan Fiqih*" (NU against Corruption: Studies of Interpretation and Fiqh) was published

<sup>2</sup> Nota Kesepahaman antara Pengurus Besar Nahdlatul Ulema, Pimpinan Pusat Muhammadiyah dan Kemitraan bagi Pembaharuan Tata Pemerintahan di Indonesia tentang Gerakan Nasional Pemberantasan Korupsi, 15 October 2003.

by NU. This book elaborates the phenomena of corruption in Indonesia and discusses the phenomena through the Islamic lenses as well as the strategy for eradicating the corruption (Na'im, etc, 2006). Meanwhile, in the same year, Muhammadiyah published a book entitled "*Fiqh Anti Korupsi: Perspektif Ulema Muhammadiyah*" (Fiqh of Anti-Corruption: the Perspective of Muhammadiyah's Religious Leaders). Similarly, this book also elaborates the Islamic perspective of corruption and also the strategy for eradicating the corruption (Majelis Tarjih dan Tajdid PP Muhammadiyah, 2006).

Facilitated by Kemitraan, in 2010 Muhammadiyah and NU jointly developed a book provocatively entitled "*Koruptor itu Kafir, Telaah Fiqh Korupsi dalam Muhammadiyah dan Nahdlatul Ulema (NU)*". (Corruptor is infidel: Study on the Fiqh of Corruption within Muhammadiyah and NU). Based on this book, both organizations appear to be agreed to categorize corruptors as soft infidels (*kafir khoffi*). This book also discusses Islamic perspective on corruption and its eradication strategy (Majelis Tarjih dan Tajdid PP Muhammadiyah, etc, 2010).

In May 2011, the Chairman of NU, Said Aqil Siradj while issuing anti-corruption declaration restated the fatwa produced by Munas NU in 2002 on the prohibition for the NU religious leaders to lead the prayer for the corpse of the corruptor. According to him, it is enough if the corpse is prayed by the ordinary people, not by NU's religious leaders or Kyai (Tempo Interaktif, 26 May 2011).

In September 2012, *Munas* (National Meeting) of NU's Ulema and *Konferensi Besar* (Great Conference) of NU in Cirebon, West Java, also issued a religious decree or fatwa stated that corruptor should be sentenced to death. According to NU's understanding, corruption can be categorized as "*harabah*" (actions to fight the God and its Messenger), "*fasd fi al-ardl*" (actions to make destruction in the earth). The forms of punishment for the people who committed these actions as stated in the Koran (Al-Maidah verses 33) are being killed (*yutaqallu*), being crossed (*yushallabu*), or being cut his foot and hands (*tuqaththa'saidihimwaarjulahum*). The death sentence is the option preferred by NU's Ulema for punishing the corruptors.

This death sentence should be imposed in order to give “deterrent effect” to acts of corruption (Ibda, 2012).

Although Muhammadiyah has not agreed on the NU’s fatwa on the prohibition for ulema to pray for the corpse of the corruptor, in terms of death sentence for corruptor Muhammadiyah has the similar position with NU. In July 2010, the *Muktamar* (National Meeting) of Muhammadiyah in Bantul, Yogyakarta also issued recommendations to combat corruption. One of the recommendations is the enforcement of the death sentence for the corruptors causing the loss for the country over 1 billion rupiahs. (Koranpagionline.com, 6 July 2010). According to the Chairman of Muhammadiyah, in Muhammadiyah’s understanding, the actions done by the corruptors are similar with the actions to kill many Indonesian people indirectly. Therefore death sentence for corruptors is justified because the corruption acts is equal with the crime of murder, which has to be sentence to death according to Islamic law (Baitul Hikmah.com, 9 April 2010)

In addition to actively conducting religious reinterpretation on corruption as well as issuing religious decree on anti-corruption, NU and Muhammadiyah’s leaders via mass media also actively urge the Government to take stronger actions to combat corruption. In several occasions, both Chairman of NU and Muhammadiyah quite frequently criticizes the Government’s efforts and strategies and urges for stronger commitment of the government to eradicate corruption.

#### **4. Analysis on the NU and Muhammadiyah’s Efforts to Eradicate Corruption**

The efforts of NU and Muhammadiyah to help combat corruption have utilized the mixture between cultural and structural approach. Cultural approach refers to the actions taken to influence the understanding of the religious followers on corruption as well as build the culture of anti-corruption, whereas structural approach refers to the actions taken to influence the government to impose

stronger law to combat corruption.

The efforts to reinterpret religious teaching on corruption and also the religious rules to combat corruption could be considered as cultural approach. Through a clear interpretation on prohibition of corruption in Islam and also the punishment for those who committed corruption, both organizations basically has provided a clear guidance to be obeyed by their followers.

The fatwa on the strong form of punishment for corruptor could be considered not only cultural approach but also the structural approach. By issuing the fatwa, it is expected that the government or the law enforcer would be encouraged to apply heavier punishment for the corruption than that of today. It is also clear that the criticism to the perceived low commitment of government to eradicate corruption is part of structural approach to gain more commitment from the government to combat corruption.

NU and Muhammadiyah have played very important roles in helping combat corruption in Indonesia. However, looking at the effectiveness of the efforts two main limitations can be noted.

*First*, with regard to the cultural approach in reinterpreting and redefining the Islamic rules against corruption, it appears that the effort should not be ended only by the formulation of Fiqh of anti-corruption. This effort should be followed by the concrete actions to disseminate or even ground the Fiqh into the grass root level or the follower of the organizations. It appears that the dissemination efforts are not carried out seriously.

*Second*, the structural approach of NU and Muhammadiyah by issuing fatwa clearly faced limitation when the fatwa is only perceived as a moral call by the government or by the judge, or other law enforcement apparatus. It is clear that Indonesia is not a religion-based country and therefore cannot be governed by religion based law. The fatwa on death sentence issued by NU and Muhammadiyah should be followed by an effort to influence the parliament members to adopt the sentence. Surely, it is not an easy task to do.

## 5. Conclusion and Recommendation

From the analysis above it can be concluded that even though NU and Muhammadiyah have conducted several efforts to eradicate corruption in Indonesia, the efforts still face limitations that could hamper its effectiveness. For helping develop better efforts, the author recommends three main actions required to be taken.

*First*, NU and Muhammadiyah need to carry out more efforts on disseminating or grounding the fiqh of anti-corruption into the grass root level. NU and Muhammadiyah can disseminate the fiqh through the development of the preaching materials for the ulema on anti-corruption issues and also conduct training for the ulema to speech on anti-corruption. More strategically, NU and Muhammadiyah can ground the fiqh of anti-corruption to the grass root level through the insertion into the curriculum of Islamic education managed by both organizations. NU, for example, can develop anti-corruption Islamic teaching modules as a derivative of the Fiqh anti-corruption to be taught in Pesantren. Meanwhile, Muhammadiyah, can also develop and insert anti-corruption modules into its formal education network from primary until university level.

*Second*, the people at the grass root level need a living example of the persons or institutions which are clean of corruption. In this sense, NU and Muhammadiyah need to become an example of how to be clean from corruption or prevent corruption. NU and Muhammadiyah, for instance, can pioneer the accountability and transparency of their institution's budget by publishing the budget and the report of the use of the budget to the public. The leaders of the organization as well as the Ulema should also provide an excellent sample of lives free of corruption. In this sense, the call from the prominent Ulema of NU, Ahmad Mustofa Bisri or Gus Mus, for the NU's followers (Nahdliyin) including the NU's Ulema to apply a modest style of life to avoid corruption is very relevant. (Liputan6.com, 18 July 2011)

*Third*, NU and Muhammadiyah need to conduct actions that will create more impact on corruption eradication at the grass root level. One of the actions blending cultural and structural



approaches that can be applied by NU and Muhammadiyah is to establish a corruption crisis centre within the district chapter of the organizations that can collect complains on corruption acts directly from the community. The centre then can channel complains to the government institutions dealing with corruption eradication in Indonesia, such as Komisi Pemberantasan Korupsi (Corruption Eradicating Commission) and Ombudsman. Of course, for making this happen, a partnership should be established between NU and Muhammadiyah and those government institutions.

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# The Role of Religion in Combating Corruption: A Case Study of Indonesia's Nahdlatul Ulama in Teaching Integrity Education to School Children and Religious Preachers

Ahmad Qisa'i

Nindita Paramastuti

Hasna Wihdatun Nikmah

## Abstract

*As Indonesia's largest Islamic organization, Nahdlatul Ulama (NU) has been playing key role in promoting integrity and combating corruption in this country. NU adopted them as organizational strategic plannings and programs since 2003 that resulted in various programs and projects in collaboration with other civil society entities.*

*Recently, working with Kemitraan, NU through its regional office in Medan, North Sumatera, implemented integrity strengthening program focussing on school children and religious preachers in Medan and Padang Sidempuan. The low ranks of these cities in Transparency International Indonesia's 2010 report on Corruption Perception Index of Indonesian major cities became the basis for Lembaga Pengembangan Sumberdaya Manusia Nahdlatul Ulama (Lakpesdam NU) in Medan to develop and implement religion-based integrity strengthening and anti corruption campaign called "Raising an Honest Generation: Propagators, Schools and Honesty Canteens."*

*The program targeted three categories: (1) students, aiming to create honest young generation through school honesty canteen establishment; (2) NU's religious preachers and ulema, aiming to strengthen their involvement in integrity and anticorruption works through capacity building; and (3) public at large, aiming to increase people's awareness on integrity and anticorruption through public campaign.*

*This paper will explain the role of Lakpesdam NU and civil society in strengthening integrity and anticorruption, effectiveness of program strategy, and approach and program results. It will also explain lessons learned and best practices during program implementation.*

**Keywords:** *Nahdlatul Ulama, Lakpesdam NU, anti-corruption, integrity, honesty, preacher*

## 1. Introduction

Corruption is a grave, latent threat to society and the functioning of good governance. As the biggest Muslim-majority state where religiosity of its Muslim population has been manifested in various religious rituals, establishment of centers of excellence on Islamic studies, establishment of various sizes of places of worship that are packed with worshipers during religious activities, mass-based religious organizations as well as Islam-based political parties, Indonesia is no exception to the threat and problem of corruption. From an Islamic perspective, the manifested religiosity should result in positive correlation between the improvement of the morality of the Muslim *ummah* and Indonesian society as a whole. On the contrary, this correlation is thus far missing and Islam that acts as a guide to Muslims in establishing better relationship between man and his God and between mankind in the society has not been *fully* reflected in the daily life of the Indonesian Muslim populace. Thus, apart from the deep-rooted problem of corruption in all sectors, levels and structures of the society, various other social illnesses such as unemployment, poverty, criminality and social conflicts have emerged to complicate the situation. Similarly, problem of good governance can also be found in all levels of social and political structures in Indonesia.

Specifically in combating corruption, the prevention and enforcement efforts through welfare approach in the form of improving the remuneration of state apparatuses and prosecutions of corruptors by law enforcement agencies have failed to deter effectively the continuing practices of corruption and the promotion of integrity in Indonesian society. Indonesia continues to be ranked as the most corrupt nation by the Hong Kong-based Political & Economic Risk Consultancy (PERC) survey result. In 2010, Indonesia was ranked 110 from 178 countries (the most corrupt country in the list of 16 Asia-Pacific nations with the score of 9.07) and in 2012, Indonesia continues to score high at 8.50 at the scale of 1 to 10 where 1 is the least corrupt score. Even worse, even though official data on poverty shows the declining trend on the percentage of the

poor people from 2010 to 2012, from 14.15 percent to 11.96 percent, poverty continues to become the undeniable excess of corruption, weak law enforcement and poor governance (BPS, 2010, BPS 2012).

## **2. Social Movement, Anti Corruption and Democratic Consolidation**

Social movements initially focus on the labor movement. Over time, the movement is not limited to the economic perspective, but can be born with a varied background. Due to this variation, Arya (1988: 17-25) confirmed that there is no particular single definition that can be attributed to social movement because of the diversity of its forms. Social movements could be religious, secular, revolutionary, reactionary or co-operative and are closely related to democracy and democratization process where the dynamic relationship between civil society and the state prominently appears in it. As a result, three forms of relationship between civil society and the state emerged (Dowoon, 2006: 187-188). *First*, the relationship between civil society and state is essentially an ongoing, intimate, and complex relational outcome of interaction between the two, both conflictive and cooperative. *Second*, successful democratization of one often bears on that of the other. *Third*, for democratization to advance, both the strength and civility of society and the state's democratic policy-making capacity and propensity must increase. In the same work, Dowoon further confirms that the impacts of civil society on democratization are multidimensional and may alter the political system, shape institutional rules and procedures, foster civic norms, and inculcate democratic culture.

However, although civil society can make difference on democratization process in a society, it is not the only determining aspect. In several other studies, it is confirmed that civil society's impact on political democratization is contingent, not a necessary, let alone sufficient, condition for political democratization which sometimes advances without a robust civil society (Davis, 1994; Goldstone, 2004; Karl, 1990; Rueschemeyer, Stephens, and Stephens

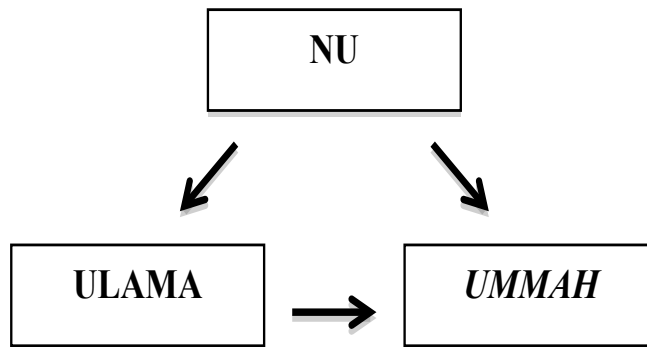
1992; Schmitter, 1997; Tilly, 1995, 2000 at Dowoon, 2006: 188-189). Strong, visionary, reform-minded political leadership is also key requirement to lead and sustain the democratization process. Because in the absence of such a leadership, a robust civil society will only able to influence the process without the convincing capacity to assure its transformation into a consolidated, collective effort to establish and sustain a democracy. Yet, it should be noted that in the Weberian perspective (Bernhard, 1988: 1 – 20), such leadership should be routinized in a rational-legal direction to ensure the balance in the system. An absence of such rational-legal procedures (the rule-boundedness of power) will only divert the process and lead into a dictatorship.

In the context of transitional democracy like Indonesia, robust civil society that emerged along with the reform movement in early 2000 has prominently facilitated the democratic consolidation process. But the problem of corruption that was rooted long before the reform process continues to threaten the sustainability of the democratization and consolidation of democracy in Indonesia. As such, collaborative and consolidated efforts from both the state and non-state actors are necessary to ensure the effectiveness of combating corruption in Indonesia. A study by Kemitraan in 2010 on the state of play of anti corruption efforts in Indonesia confirmed the need to establish collaborative actions between state and non-state actors to combat corruption. In the same study, it was confirmed that civil society played a determining role in sustaining the anti corruption movement and integrity promotion in Indonesia.

### **3. Nahdlatul Ulama and Anti Corruption: The Case**

Nahdlatul Ulama (NU) is the largest mass-based Muslim organization in Indonesia, consisting of more than 40 million members. Established on 31 January 1926, NU originally aims to keep the traditional practices of Islam in Indonesia amidst the wave of Islamic reform movements throughout the globe. However, gradually, NU has been transforming into a religious social movement

(Offe and Wiesenthal, 1980, Oommen, 1988: 1 – 16, Arya, 1988: 17 – 25) in Indonesia that affects the diverse aspects of the society, including in the economic and political affairs. NU enjoys strong legitimacy as the representative of the broad segments of Muslim community in Indonesia. NU's workflow always includes *ulama* and *ummah*(Muslim community) with triangular communication path. This established pattern is strategically beneficial to the NU as an organization to provide information to, and establish strong bond and relationship with, the *ummah*. In a diagram, NU's communication path can be described as follow:



As a social movement, NU is more than committed to be involved in Indonesia's nation-building processes, including in combating the deep-rooted problem of corruption in the society and the promotion of integrity culture to the public. NU formally adopted the commitment to combat corruption and promotion of integrity as the organizational strategic planning and programs in 2003 as the result of its July 2002 National Consultation Meeting(*Musyawahar Nasional*)in Pondok Gede, Jakarta.It aims to create a connection between corruption and the existing social illnesses in the Indonesian society and to improve and strengthen public awareness on the destructive impact of corruption to the welfare of the society and the nation (Sukma, 2003). Thus, while the responsibility to combat corruption and promote integrity rests with all members of NU, the development and implementation of programs on combating corruption and promotion of integrity become the mandate ofNU's Human Resource Development Institution (*Lembaga Pengembangan*

*Sumber Daya Manusia – LakpesdamNU*). Established in 1984 during NU's 27<sup>th</sup> Congress (*Muktamar*) in Situbondo, East Java, Lakpesdam NU is meant to strategically support NU's position as sensitive, critical and trustworthy organization with strong human resources that are strategically responsive to the needs of the *ummah* and the nation. Throughout its functioning, Lakpesdam NU's strategic focus is related to capacity building, public policy advocacy and oversight, network building and civil society strengthening to support democratic consolidation processes in Indonesia and the promotion of good governance. Combating corruption and promotion of integrity are thus embedded in this strategic focus which is inline with the concept of *Ahlusunnah Wal Jamaah*, *Khittah NU* and *Mabadi Khaira Ummah* as the main pillars of NU. Thus the 2010 – 2011 collaborative work of NU's regional office in Medan, North Sumatera through its Lakpesdam NU with Kemitraan, a Jakarta-based civil society organization, in combating corruption and instilling integrity to school children and Muslim preachers called "*Raising an Honest Generation: Propagators, Schools and Honesty Canteens*" is very much relevant to NU's role as a social movement in Indonesia. The program has a long term goal of strengthened anti corruption and integrity culture among the Nahdlatul Ulama's community with the specific objective of producing anti corruption preachers and honest elementary school students in Medan, Padang Sidempuan and Pandan areas in North Sumatera Province. This paper seeks to explain the role of Lakpesdam NU's North Sumatera in integrity strengthening and anti corruption efforts, the effectiveness of program strategy and approach and the program results. It will also explain lessons learned and best practices during program implementation for the possibility of adaptation. Two main research questions will be answered through this paper:

- 1) How does the anti corruption program by Lakpesdam NU in North Sumatera strengthen integrity and anticorruption efforts in Medan and affect the national anti corruption and integrity strengthening movements?
- 2) What are key the lessons learned and best practices that can be

replicated to strengthen integrity promotion and anti corruption strategy in a developing democracy such as Indonesia?

In order to answer these questions, this research will adopt an exploratory qualitative approach where the primary and secondary data will be collected through literature study and indepth interview. Both primary and secondary data will be used to support the analysis in the paper. In depth interview will be used to find out Lakspedam NU's experience in the implementation of the project and the achievement of the targeted goals of the project. The literature study is expected to result in the collection of supporting data and information about program design, activities and documented evidences of the challenges and lessons learnt during project implementation. This literature study will complement the data collection process necessary for the analysis in this paper.

#### **4. The Program: Raising an Honest Generation: Propagators, Schools and Honest Canteens**

Apart from supporting the achievement of strategic goals of Lakspedam NU, the main reason for the North Sumatera's Lakspedam NU to develop and implement this anti corruption and integrity strengthening program was the grave fact that Medan and Padang Sidempuan were placed at the lower ranking in the Transparency International Indonesia's 2010 report on Corruption Perception Index (CPI) of major cities in Indonesia. Medan was ranked at 44<sup>th</sup> with the CPI of 4.17, while Padang Sidempuan was ranked at 34<sup>th</sup> with CPI of 4.58 (Transparency International Indonesia Report, 2010). The program seeks to promote integrity and combat corruption with three targeted sectors: school children, religious preachers (*ustadz/kyai*) and public at large. The three targeted sectors were seen as the strategic programmatic target groups to support collection actions on integrity promotion and combating corruption within the NU's communication framework. The ultimate target of this honesty project is the general public with the goal of raising people's awareness on the need to combat and eradicate



corruption. The engagement of other actors such as the preachers and school children were expected to result in a more concerted pressure to instill integrity culture and combat corruption. The program contains of the following key activities:

- 1) Lobbying and socialization of the program among the leadership of NU in North Sumatera;
- 2) Capacity building and anti corruption training for NU religious preachers (*ustadz*);
- 3) Capacity building and training for school management/teachers on establishing and managing honesty canteen;
- 4) Technical assistance on the management of honesty canteen;
- 5) Formulation and publication of anti corruption campaign materials such as anti corruption public sermon materials, anti corruption tabloids, banners, leaflets and pins; and
- 6) Public campaign on anti corruption and integrity culture.

## 5. Program Implementation and Outputs

During program implementation, the key activities were divided into three categories with specific outputs:

### 5.1. Honesty School Canteen

The targeted objective of the honesty school canteen was to spread anti corruption perspective and instil integrity values among elementary school students in NU education institutions in North Sumatrathrough activities beyond the classroom learning process. To achieve this targeted output, the project management team in Lakpesdam NU North Sumatera conducted the following activities:*first*, selecting the schools to be the pilot schools where inputs from Lakspedam NU management and NU leadership in North Sumatera were taken as key consideration. *Second*, training and capacity empowerment of selected school management/teachers on how to establish and manage honesty school canteen by involving NU leaderships in North Sumatera. *Third*, distributing campaign materials in school locations about the project. This

include anti corruption pin, leaflet, and banner. The targets were students and other related stakeholders. As a result, 4 (four) NU affiliated schools in Medan, Padang Sidempuan, and Pandanwith the total of more than 1000 students were selected as the pilot schools for this honesty school canteen were establishmentand management during project implementation.

## **5.2. Anti Corruption NU Preachers**

To achievethis output, the project management team of Lakpesdam NU North Sumatera was *first* conducted anti corruption training for the *ustadz* and other religious activists, NU's structural member and teachers from the three targeted cities. Second, technical assistance to religious preachers and *ustadz* on the formulation of anti corruption and integrity promotion preaching materials and *third*, publication of anti corruption and integrity promotion preaching materials.

The first training was held in STAI Pertinu, 14 December 2010, where *ustadz*, teachers and NU's structural members from Padang Sidempuan and Tapanuli were trained on anticorruption and integrity in relation to the Islamic values. The second training was held in Medan, 8 January 2011, with the targeted audiences from Medan. At least, 60 *ustadz* participated in the training and were given technical assistance to formulate and develop preaching materials/ sermons with integrity and anti corruption perspective. At the end of the training, each training participant individually formulated anti corruption and integrity promotion preaching materials.

## **5.3. Public Awareness on AntiCorruption and Integrity**

In order to increase the culture of integrity and public awareness on anti-corruption, the project, *first*, used publication of newsletters, leaflets, pins, tabloids, books, and banners as education and campaign materials for the wider audience in the targeted project locations and, *second*, used the trained *ustadz* to preach about anticorruption and integrity culture through their sermons and preachings in religious gatherings. These publications were regularly distributed during project implementation to reach the

targeted project stakeholders. During this project, there were 2,500 copies of newsletters with anti corruption and integrity perspectives, 155 of honesty pins, and 3,000 copies of anti corruption and integrity books which were published and distributed by Lakpesdam NU of North Sumatera to various stakeholders and other branch offices of NU in North Sumatera such as in Padang Sidempuan, Pandan and others. Carefully and high-quality printed anti corruption banners were placed in strategic locations for the public to see and read the message on the banner. At the same time, the trained ustadz used the published materials to teach people about the danger of corruption and the need to strengthen anti-corruption efforts and the instillment of integrity culture.

## 6. Analysis

This section will analyze the data collected during the study in order to answer the two research questions posed in the beginning of this paper. To begin with, Islam clearly defines that money and public goods belong to Allah where the government, and not those in the position of power and individual office holder, is mandated to manage (*tasharruf*) for the utmost benefit of the people without any discrimination and every single penny should be accountable to Allah (in the hereafter) and to the people (here in this world) (Mahfudh: 2006). Thus, corruption which is understood in Islam as big treason (*ghulul*) or an act of stealing (*sariqah*) public money by public office holders for his/her personal benefit is an act of denial to Allah's commandment (*hirabah*). In 2002, NU issued a religious edict (*fatwa*) about corruption and attributed those who do corrupt practices or corruptor as *kafir* (i.e. one who denies the blessing of God) and Muslim religious leaders need not to pay homage and pray upon his/her dead body. This edict is in the same line as Prophet Muhammad's decision to refuse offering prayer upon his companion who was killed in the battle of Khaibar. The reason for this decision was that his dead companion secretly owning the necklace of the Jew he killed. (Daud, 1389: 284-285).

As a religious social movement (Arya, 1988: 17-25), NU and its affiliated organizations and structures is committed to prominently play vanguard position in combating the deep-rooted problem of corruption and the promotion of integrity culture to the public. Although the project implemented by Lakpesdam NU of North Sumatera was deliberately meant for the NU *ummah* in the targeted project location, but the repercussion of the results of the program reached those who are outside the circle of NU in the targeted project location of Medan, Padang Sidempuan and Pandan. The project was able to mobilize collective actions and concerted efforts of elements in the NU community and beyond to combat corruption and promote integrity. This can be further seen from the following facts:

- 1) *First*, by looking at the targeted sectors, the program had been able to maximize its efforts to reach out different elements in the society on anti-corruption and integrity culture. The trainings, technical assistances and public campaign through different means of campaign strategy had allowed the people to not only understand about the danger of corruption, the need to combat it and the importance of instilling integrity principles, but also become the agents of change to spread the spirit of combating corruption to its neighbors and other members of the community. The program that was meant to target Medan, Padang Sidempuan and Pandan had successfully involved 33 board members of NU Branch Office in 33 districts/cities in North Sumatera. They collaboratively worked to ensure that the initiative by Lakpesdam NU North Sumatera be replicated in other cities beyond the targeted location of the project.
- 2) *Second*, the idea of developing honesty canteen in elementary schools was relevant with social movement theory by Oommen (1988:1-16) who mentioned about the need for a social movement to be creative and innovative. The idea of honesty canteen targeting school children of such a scale had not been done before in North Sumatera, especially among the NU community. The honesty canteen could be categorized as the most unique, creative and

innovative anti-corruption program and integrity promotion in this project. Honesty canteen that had been established in the four targeted schools during project implementation had attracted other schools in North Sumatra to develop the same program. Requests to participate in the training on honesty school canteen management came from different schools beyond the originally targeted four schools in Medan, Padang Sidempuan and Pandan such as the one from Tapanuli Tengah and from Al Kautsar Boarding School. At least there are nine schools that created the same program around the completion of project implementation. As collateral, this honesty school canteen program that specifically addressed the students to promote integrity and combating corruption had actually impacted the people in the pilot schools, including the teachers, school committee members, non-teaching school staff as well as the extended connection of the students such as the family members and the neighbors.

- 3) *Finally*, the involvement of key elements in local NU structural leadership and the *ustadzin* North Sumatera to spread the idea of combating corruption and promotion of integrity had allowed the social movement created by the project to reach wider audience beyond the targeted location of the project. The Friday sermons and religious gatherings attended by these trained individuals had allowed the widening impact of this initiative by Lakpesdam NU North Sumatera.

In same line, this religious social movement by Lakpesdam NU in North Sumatera had the full support from the leadership of NU in the center where the commitment to combat corruption and promote integrity continues to become one of NU's strategic objective as an organization. Lessons learnt and best practices from the project are compiled and transformed into campaign materials where at the conclusion of the program, Kemitraan facilitated the project team of Lakpesdam NU in North Sumatera to share its experience in Jakarta by inviting nation-wide audiences from key state agencies such as the Corruption Eradication Commission, the national Parliament, academicians and media. In this way, the

anti corruption program by Lakpesdam NU in North Sumatera had contributed to the strengthening of integrity and anticorruption efforts in Medan while at the same time, strategically affected the national anti corruption and integrity strengthening movements through national campaign program facilitated by *Kemitraan* and the full support from the NU leadership in the center. This collaborative works of civil society agencies in Jakarta and in sub-national regions had further contributed to the concerted efforts between state and non-state actors in combating corruption and promoting integrity in Indonesia to eliminate the negative excess of democratization process and consolidation of democracy in Indonesia.

But what are key lessons learned and best practices from this project that can be replicated to strengthen integrity promotion and anti corruption strategy in a developing democracy such as Indonesia?

This program was integral part of an umbrella program developed by *Kemitraan* in supporting anticorruption campaign and integrity promotion by non-state actors across Indonesia. Apart from Lakpesdam NU's program, there were 14 other programs implemented by civil society agencies to support national agenda on combating corruption in various areas such as in the public service, the strengthening of anti corruption court in the region, research action to combat illegal trading of logs and coals and instilling anti corruption and integrity principles to young generations through alternative media. The results of Lakpesdam NU's project were integrated into a collaborative work of civil society actors to combat corruption and promote integrity in Indonesia. Key lessons learned and best practices from Lakpesdam NU's project that can be replicated in other similar efforts are in the followings:

- 1) Spirit to combat corruption and promote integrity is not sufficient without the support of qualified human resources to develop and accountably implement a program.** NU as an organization and Lakpesdam NU in North Sumatera have strong commitment and spirit to combat corruption as reflected in its religious perspective and strategic organizational goals. However,

as found out during program implementation, the absence of qualified human resources in Lakpesdam NU in North Sumatera to develop and accountably implement the program had resulted in the delay of the implementation of several program activities. It was only through intensive technical assistances from Kemitraan and other Kemitraan's program implementing partner that Lakpesdam NU was able to consolidate itself and finally capable of developing and accountably implementing the program.

**2) Collective action yielded better result than individual effort in combating corruption and promotion of integrity culture.**

Lakpesdam NU proved this strategy to be effective in which it invited all leadership of NU in North Sumatera and board members of NU branch offices in the districts and cities in North Sumatera to support the implementation of the program. Active participation of these individuals in key project activities had allowed Lakpesdam NU North Sumatera to successfully achieve the targeted outputs of the program. This collaboration had also resulted in the widening of programmatic reach where NU communities outside the targeted project locations were benefited from the program, especially on the anti corruption and integrity campaign and honesty canteen. Additionally, the presence of *Kemitraan* as the partner for Lakpesdam NU North Sumatera in implementing the program had resulted in the transfer of knowledge, skills and capacity in program planning, implementation and reporting. *Kemitraan's* role to play the hub between Lakpesdam NU North Sumatera's program with similar anticorruption initiatives across Indonesia had allowed better collaborative works among civil society agencies and between civil society agencies and state institutions in combating corruption and promotion of integrity in Indonesia as a support to the consolidation of democracy process.

**3) Children were the most strategic target group to instill and promote integrity principles.** Honesty school canteen is an innovative approach to teach young minds on the concept of anti corruption and integrity outside the classroom. During this project, notable collateral impact of honesty school canteen



could be found in the testimony of a student's parent who said that after the establishment of honesty school canteen, her son had changed into an honest kid who always returned the change whenever he was asked to buy something from the shop. This was a complete change of attitude before and after the adoption of honesty school canteen. His son would never return the change from the money given to him whenever asked to buy something from the shop. Thus, it could be concluded that the young minds are the perfect place to instill positive changes and would result in a longer term impact such as on the issue of anti corruption and integrity principles. Innovative approach as reflected in the experience of honesty school canteen in this project, however, is necessary to provide a non-classroom learning process. Honesty school canteen is an example and many other innovative ideas to promote integrity and anti corruption could be invented and adopted for this purpose.

## **7. Conclusion**

In short, the work by Lakpesdam NU in Medan, Padang Sidempuan and Pandanin North Sumatera is an example of success story of religious social movement in promoting anti corruption and integrity principles. Lack of strong human resources in program planning, implementation and reporting did not prevent Lakpesdam NU North Sumatera to successfully achieve the targeted outputs and objective of the project. Willingness to learn from mistakes and commitment to change are important keys to overcome such problem. Lessons learnt and best practices from collaborative actions at local and national level and innovative approaches adopted by Lakpesdam NU North Sumatera to promote anti corruption and integrity principles are notable examples that can be replicated in other situation or communities. Finally, religion as integral part of a community can become important key in providing alternative approach and strategy to combat corruption and promote integrity culture.



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# Muhammadiyah Effort in Eradicating Corruption and Upholding Public Integrity

## A Case Study of Muhammadiyah East Jawa

Biyanto

### **Abstract**

*This article aims to discuss the experience of Muhammadiyah East Java in eradicating corruption and upholding public integrity. According to Muhammadiyah, corruption could clearly harm the state economy, reduce public welfare, destroy social morality, demolish political and legal system, treat national security, and hummer national resources. Base on experience in its activities, Muhammadiyah of East Java has been involved in eradicating corruption. Muhammadiyah also sought to uphold public integrity, for example through the advocacy of transparent state budget use. Interestingly, Muhammadiyah used mass media to promote its agenda of upholding public integrity. It can be observed through the publication of activities and accountability reports published in Matan and Suara Muhammadiyah, two magazines affiliated with Muhammadiyah. Muhammadiyah also established a collaboration with news paper, radio, and television to build a culture of public integrity.*

**Keywords:** Muhammadiyah, eradicating corruption, public integrity

## 1. Introduction

Currently, corruption is one of the major problems that are faced by Indonesia. IMF report that was published on 16 September 2010 showed that corruption remains as main obstacle that hindering Indonesian effort in improving its economy. A research of Indonesian Corruption Watch (ICW) also proves that corruption in Indonesia is still very worrying. Cases of corruption found are very much, including in East Java. A report of *Jaringan Kerja Anti Korupsi [JKAK]* (Communities Against Corruption) shows that corruption in East Java is mostly occurred in Surabaya, Bondowoso, Kediri, Sidoarjo and Pasuruan (Husodo, 2010: 4). JKAK report also mentions that corruption has becoming an endemic in government bureaucracy, legislature, private, and Non-Governmental Organisations (NGO). Even in society, corruption also occurs in its various forms. Therefore, they said that corruption is very difficult to eradicate since it has been manifested into many faces (Lubis, 1988: viii).

Therefore, it is not an exaggeration when Franz Magnis Suseno stated that corruption has corrupted Indonesia in such a way causing this nation decreasingly fragile and collapse. Corruption has undermined the resilience of this nation in all fields. He said, as termites, corruption has destroyed the pillar of this nation from inside, from place where this nation was built (Suseno, 2009: 785-796). Although the culture of corruption has rapidly spread, but since it is aligned with economic, political, and other social problems, the effort to eradicate it has to be supported. We should not have a fatalist mindset by stating that corruption has been so endemic the efforts to eradicate it seem so vain.

The most important thing to do now is to keep the spirit of fighting against corruption. In line with the will to eradicate corruption, public integrity should also be built. This issue is important, because good governance requires accountability (Janos Bertok, 2008: 49). In this context, the aim to uphold public integrity and to eradicate corruption needs to be given adequate attention by all parties, including Muhammadiyah. This paper aims specifically to discuss the experience of Muhammadiyah of East Java in eradicating

corruption and upholding public integrity.

## 2. Corruption in Muhammadiyah Perspective

### 2.1. The Definition of Corruption

It is quite difficult to find the appropriate synonym for corruption in Islamic term, since the term 'corruption' has just been found in modern culture. However, since the substance of corruption is an act of transaction against law and religious norms that contains fraud, corruption could be analogous to similar acts as known in fiqh (Islamic law). *Majelis Tarjih* and *Majelis Tajdid* (The Committee of Legal Affairs and Reform) A Central Board of Muhammadiyah compares several terms in fiqh that could express actions contain elements of corruption.

To explain corruption in Islamic context, *Majelis Tarjih* and *Tajdid* has put several popular terms as analogue, such as *ghulul*, *risywah*, and *ghasab*. These three words according to *Majelis Tarjih* and *Tajdid* Muhammadiyah are considered as terms representing the practice of corruption.

#### 2.1.1. Ghulul

*Ghulul* means taking and hiding something by somebody as his own property. *Ghulul* is associated with corruption as it betrays trust that should be maintained. At first, *ghulul* is used to describe the misuse of war booty before it is properly distributed. Somebody is deliberately taking war booty and hiding it on his own property (Anwar, 2006: 55). In the Qur'an, *ghulul* is also used to define a crime related to the betrayal of war booty management (Al-Qur'an, *Ali 'Imran* [3]: 161). Based on the above meaning, *ghulul* is classified as corruption by; (a) an intention of self enrichment; (b) harming others and the state, because *ghanimah* and prize that were hiding/kept by perpetrators resulted in the dispersal of right of people and the state; (c) the misuse of authority; and (d) an action contrary and against the law, because it is banned by religion as well as damaging the law system and moral of society (Anwar, 2006: 59-60).

### 2.1.2. Risywah

*Risywah* lexically means *al-ju'l*, namely wages, present, gift, grant or gratification. In terminologically, *risywah* means an act of giving something by cancelling or getting the right of others. In other words, *risywah* (bribery) means giving present by wishing to gain something. In Indonesian term '*suap*' or bribery has a close meaning with '*sogok*', which also means bribery (Anwar, 2006: 60). However, some people claim that bribery is actually inflicting no harm for others, but the act of bribery remains illegitimate as it is prohibited to give present to officials of government. Great loss caused by bribery will destroy the existence of value and law system of the nation (Ibn Taymiyah, T.Th: 302).

### 2.1.3. Ghashab

*Ghasab* means taking something from someone by force (using violence). *Ghashab* can also mean an action to remove the power or the authority over property, that can be transferred, from the right person to the wrong person who had openly (not secretly) proven to be fault (Anwar, 2006: 63). By this understanding, *ghashab* could be associated with corruption because there is an action to control or exploit the right of other's property based on his authority and power. In the Qur'an, *ghashab* can also be defined by context as taking something with force (Al-Qur'an, Al-Kahfi [18]: 79). *Ghashab* could be categorized as corruption because it is against the law.

## 2.2. Motivation and Factor

Based on the result of *Halaqah* (the meeting) of *Majelis Tarjih* and *Tajdid* Central Board of Muhammadiyah, it can be stated that several elements aligned inherently with corruption are included: (a) action of taking, hiding, stealing state or public property and corporation, (b) action against legal and forceful norms, (c) the misuse of power, authority or trust that were on him; (d) action of taking advantage for himself, family, or persons and specific corporations (institutions), and (e) action that harms others, either public or state (Anwar, 2006: 13).

Corruption is always based on specific motivation. *Majelis*

*Tarjih* and *Tajdid* formulates several motivations of corruption: *First, corruption by greed.* This motivation is usually possessed by people who actually have no economic problem (no economic need as force). Corruptors might come from high level society with good economic condition. Greediness is one aspect that motivates people to gain higher rank/title, more salary, more luxurious houses, and wider popularity. Greediness based corruption mostly occurs among higher level officials and businessmen.

*Second, corruption by need.* This type of corruption is caused by pressure in the fulfillment of basic needs in life. This petty corruption is done by low level officials/officers whose salary is not enough to meet their daily needs, such as: low-rank police, labor, parking officer, transportation drivers, and others.

*Third, corruption by chance.* This type corruption is permitted by chance of becoming rich and upgrading job level/rank instantly. Usually, this case is allowed by the weakness of system in an organisation where there is no public accountability, lack of supervision, and no law enforcement.

It should be emphasized that the three motivations above are sometimes interrelated. In other words, corruption might be done by a person who is mentally greedy, possesses need or desire of high living and there exist opportunities or chances for a corruptor to feel free (no worry) in carrying his action (corruption).

In relation with factors causing corruption that increasingly occurs in this country, *Majelis Tarjih* and *Tajdid* proposed six reasons (Anwar, 2006: 15-17). *First*, religious values are less practiced in daily life. This factor is caused by many things. For example, the teaching of religion subject at school is pays little to the affective and psychomotoric sides of students. So far, religious education emphasizes more on the cognitive side. Religion as subject in schools and colleges is understood only as knowledge. Yet, the most important thing of education is to build ones character and behavior according to religious values. As consequence, the teaching of religion has not yet optimally produced characters of abiding laws, honesty, good personality and high integrity.

*Second*, the governing and leading officials of organizations (either profit or non profit) tend to be exclusive and authoritarian. The absence of transparency in each abused governmental system or organization obviously permits a condition where power could be misused. In addition, the spirit of autonomy is strongly emphasized on local government to manage their own budget. Weak accountability and public control could worsen the condition. This condition often becomes the starting point where corruption transforms into culture and inherently develops closed into different forms in social activities.

*Third*, the less functioning of legislature/people representative (DPR, DPRD, DPD) in performing its duties as check and balances forces over government policies. This situation becomes worse when legislature is coopted by the executive's executive is interest, while it is highly probable because in each local election, the culture of political contract (in term of horse trading politics and money politics) has occurred in such a way that involves the power of political party, businessman and candidates of local/regional leader. In the process of recruitment of its member, most political parties tend to pay less attention on the competence and track record of its candidates. The existing mechanism of election is based on the major vote therefore recruiting popular cadres who possess strong financial support are then becoming more necessary.

*Forth*, the less functioning agency to control and to enforce law also the weak legal sanction that has no deterrent effect for corruptors. Government or any organizations that dose not have culture of upholding strict control upon its system tends to corrupt. Again, we are reminded by Lord Acton: *power tends to corrupt and absolute power corrupts absolutely* (Budiarjo, 1977: 99). This law ensures that people who possess power tend to mislead, but people who possess absolute power will inevitably mislead.

*Fifth*, the behavior of leaders or higher rank officials in daily life, also give contribution to the widespread of corruption. According to *Majelis Tarjih and Tajdid*, currently, it is very hard to find officials who are humble consists of result in prudent, *qana'ah* (receiving and



enjoying the grace of God), *wara'* (staying away from grey things [syubhat]), generous, and not greedy. Conversely, a role model existing in the society, mostly leaders are luxurious, extravagant, stingy, arrogant and greedy.

*Sixth*, the low wages of employees that result in low level of welfare. Too low wages will affect on the widespread practices of corruption. Therefore, it is important to increase people's wages to create better welfare. However, small wages is not necessarily followed by a corrupt behavior. As a proof, corruptors usually come from a group of high salaries or high rank officials, and even they are important person or respected public figures. It means that mentality (state of mind/mindset of a person) is the most important thing.

### **3. The Muhammadiyah Experience in Eradicating Corruption**

Indeed Muhammadiyah of East Java has not yet created specific programs in its effort to eradicate corruption. It is reasonable because Muhammadiyah's main activities aim to optimize *da'wa* through education, health services and other social charities. However, there are several listed activities that have been done and could be classified as part of Muhammadiyah's effort to minimize corruption that occurs in society, such as the response of Muhammadiyah of East Java to the current local political trends that tend to emphasize more on image based action rather than on performance based action. Image based politics can be interpreted as an attempt to build image of a good bureaucracy that is able to foster the development of community (Mughni, 2007: 11). Yet, in practice, the authority never responds people's will/interest.

The dynamics of politics in East Java is noted by the conduct of *pemilukada* (local leader election) in municipality or district level. During 2010, there have been 18 cities which conducted elections. Certainly, there were problems that came along through the events. Despite issue of supporting candidates that was suspected of creating social conflict, *pemilukada* also perpetuated the culture of



money politics. Therefore, Muhammadiyah of East Java emphasized the importance of moral movement in strategic level to develop an anti-money politics and to create clean and accountable government. This movement was expected to be the reference for Muhammadiyah leaders in its lower level (city, district, and village) to respond the local political development.

The Pledge of Eradicating Corruption had actually been professed by Muhammadiyah and Nadhatul Ulama (NU) of East Java in 2003. The pledge agreement was held at Pondok Pesantren Al-Hikam, Malang on 17 November 2003. This pledge followed the signing of Memorandum of Understanding (MoU) between the Central Board of Muhammadiyah represented by Ahmad Syafii Maarif and the Central Board of Nadhatul Ulama (PBNU) represented by KH. A. Hasyim Muzadi at Pondok Pesantren Mahasiswa Al-Hikam, Malang on 15 October 2003. The important point of the pledge that was represented by Fasichul Lisan (Muhammadiyah) and Ali Maschan Moesa (NU) was the concerns of the two organizations on the eradication of corruption.

Unfortunately, the MoU was not accompanied by appropriate strategy of implementation, so it looks merely as just a moral movement. Syafiq A. Mughni, the Head of Muhammadiyah East Java (2005-2010) admitted that the agreement was not yet delegated into the lower level of organization. Although the movement has not resulted in action, the moral movement of eradicating corruption is still considered important. Therefore, the current challenge of Muhammadiyah is transforming the moral movement into real actions that could mobilize all resources possessed by Muhammadiyah in all levels (regional, city, district or village).

#### **4. The Muhammadiyah Effort to Uphold Public Integrity**

Muhammadiyah of East Java has held several advocacy activities as an effort to help government in creating public integrity. According to *Lembaga Hikmah dan Kebijakan Publik* (LHKP/ Committee for Wisdom and Public Policy), Muhammadiyah

has raised several actual issues related with government policies dealing with people's welfare. An activity that has been held was the assistance of APBD (Regional Budget Planning for Revenue and Spending) from corruption, collusion and manipulation. The activity was held in 2007 in cooperation with The Asia Foundation (TAF). The purpose of this activity was to develop public awareness toward APBD and increasing their political participation in monitoring political budgeting (Mughni, 2008: 19).

The event was actually based on the concern of Muhammadiyah on the low participation of community in the planning and implementation process of regional budgeting (APBD). Up to now, government officials tend to treat APBD (either provincial/regional or city level), as confidential document that the public should not need to know. During the new order government, the party that was supposed to know the details of APBN/APBD (National/Regional Budgeting) was only the legislative and executive. Even in its practice, it was only bureaucrats who held complete control over the implementation of APBD. This happened because during the new order government the legislative has served just as a rubber stamp and did not have power to control budgeting planning and its implementation.

In reformation era, where openness are expected to occur in all public institutions, people demand transparent and accountable institutions (legislative, executive and judiciary), because it is interrelated with state budgeting to build and improve social welfare. In this context, Muhammadiyah is needed to be involved in the process of formulating, implementing and controlling APBD (Sophiaan and Mirdasy, 2007: 54). This is important because people tend not to realize that the formulation of APBD established by government and legislature are actually very vulnerable to be used for political purpose.

As example, the budgeting planning for program of *Jaring Aspirasi Masyarakat* (Jasmas) that was managed by each member of DPRD provincial and DPRD district in East Java (people's representative in parliament at regional/city level) of 2004-2009.

This program needed to be criticized because it is vulnerable to any misuse of budget. In practice, each DPRD member was given quota to accommodate several project proposals from communities/constituents to be inserted in (APBD). For APBD budgetary year 2007, there was in approximately 60 billion rupiahs or 600 million rupiahs allocated for each member of DPRD.

The practice of corruption actually can be seen in several officials program managed by DPRD provincial. An example that raised most public attention was P2SEM (*Program Penanggulangan Sosial dan Ekonomi Masyarakat* [Program of Social and Economic Empowerment]). P2SEM that was funded by APBD of East Java in 2008 has dragged several members of legislature into judicial institution, including several private sectors, such as NGO, universities as victim of manipulation.

Rhetorically, P2SEM was intended for community empowerment. Yet, in practice P2SEM budget was then allocated for political purpose, to financially support the election campaign in 2009. Actually, it was not only the legislature who has potential to misuse APBD, but the executive, especially local leader who is willing to be renominated. Indicators could be observed through various programs initiated by the candidates of local leader who came from incumbent.

The incumbent candidates were very potential in producing massive political programs funded by APBD. *Program Padat Karya* (intensive program), *Bantuan Langsung Tunai* (direct cash support), *Bantuan Operasional Pendidikan* (support for education operation), *pemberian insentif guru* (teacher incentives), *peningkatan sumber daya pesantren* (the development of pesantren resources or Islamic school) are among several programs that are potentially used to improve and recover the image of leader who wants to be renominated for the following election. This strategy has been effectively proven in the emerging trend of political imaging. Moreover, it is worsened by the condition of some parts of social communities that still have problems with economy and unemployment.

In the current social political condition, Muhammadiyah of Each

Java initiated programs to oversee and assist APBD in order to produce a pro-poor community based APBD. To make a sustainable effort, education and cadre training were then held by Muhammadiyah of East Java. Muhammadiyah of East Java established several posts to accommodate the movement of anti-corruption and anti power abuse/misuse (Mughni, 2007: 19). This program was held in order to help communities with concern on eradicating corruption and upholding public integrity.

The effort to eradicate corruption is not only limited in the provincial level (Muhammadiyah of East Java), but also delegated on its autonomous organization, such as *Ikatan Mahasiswa Muhammadiyah/IMM* (Muhammadiyah University Student Association). IMM has conducted an anti-corruption training and review on APBD (Mughni, 2010: 37). Despite using strategy and knowledge, the spirit of creating public integrity is also implemented in forms of protest or demonstration. Protest and demonstrations by the activist of *Pemuda Muhammadiyah* (Muhammadiyah Youth) was also conducted to commemorate World Corruption Day. Those various activities were supposed to show the commitment of Muhammadiyah in eradicating corruption and upholding public integrity.

Unfortunately, the program of budget advocacy that has been designed so well did not last long or even no longer sustains. There is an impression that this program runs only when there is donor. If the donor left, the program then stopped. This phenomenon however become endemic in almost non-profit institutions that rely on donor as program funding support, either from government or foreign agencies

In its effort to uphold public integrity, Muhammadiyah also encouraged the making of accountability report in each year and at the end of task period. It became part of Muhammadiyah culture. As a social organization and NGO, Muhammadiyah obviously received aid from government, private institution, individual donor and its own productive charity units/enterprises in order to run its social activities. As responsibility, Muhammadiyah gave formal and

transparent report to regional and district board of Muhammadiyah in official forum.

In addition Muhammadiyah of East Java also held audit on its own finance resources as tradition. Audit is held by independent team recommended by *Lembaga Pembinaan dan Pengawas Keuangan* (Institute of Financial Guidance and Supervision). Usually the team of audit consists of staff of Muhammadiyah universities and professionals such as *Ikatan Akuntan Indonesia* (Indonesian Institute of Accountants). It is not only Muhammadiyah of East Java that its financial management has to be audited every year, but also its productive charity units such as: schools, hospitals and enterprises that are managed by Provincial Board of Muhammadiyah of East Java. The purpose of external audit is to build public integrity.

For Muhammadiyah, donation received from stake holder means trustworthiness; therefore it has to be accounted transparently and accountably. During 2005-2010, Muhammadiyah of East Java has cooperated with government institutions and foreign NGOs. Several foreign NGOs were The Asia Foundation (Review APBD), Environmental Services Program USAID (the Implementation of Clean, Green and Hygiene Curriculum), British Council (English Teacher Training), dan Health Policy Initiative USAID (the Living Skill Education: the Prevention of HIV and AIDS through Education Institutions). Provincial Board of *Aisyiyah* (Muhammadiyah Women Movement) has also received grants from program Community Tuberculosis (TB) Care from The Global Fund in cooperation with Health Department of East Java. This program aims to prevent the development of tuberculosis in several cities in East Java.

In attempt to act as an exemplary role for society over issues on the importance of public integrity, Muhammadiyah of East Java has held control and organised its asset legally (naming all assets as Muhammadiyah property). This program is held because there are many assets of Muhammadiyah in education, health, economy, and other social services. In relation with building public integrity, the program should be appreciated since it has been able to avoid an attempt of personal and particular foundations to take

Muhammadiyah assets. In this context, Muhammadiyah had built a system of eradicating corruption and upholding public integrity. The experiences of Muhammadiyah must be appreciated because eradicating corruption and upholding public integrity need a powerful system, not only giving punishment to corruptors (Jeremy Pope, 1997).

## 5. Conclusion

Corruption happens in public institutions, either central or regional, and it could be done carried out by politicians, bureaucrats, professionals or academics. Corruption could clearly harm the state economy; reduce public welfare; destroy social morality, political and legal system, national defense; and destroy natural resources. Facing this situation, Muhammadiyah has demonstrated its experience in eradicating corruption and upholding public integrity. Indeed, in its activities, Muhammadiyah never explicitly use the term 'corruption'. However, if it is viewed from the substance of the activities, it clearly shows an effort of eradicating corruption.

Muhammadiyah has several experiences dealing with the activities to uphold public integrity, such as the advocacy of budgetary against misuse (planning and implementation). It involves groups or communities in public forum in the process of encouraging public awareness toward the budget planning and implementation (APBD). Interestingly, Muhammadiyah also cooperates with mass media in line with building public integrity. It can be observed through the publication of activities and accountability report in *Matan* and *Suara Muhammadiyah* (Muhammadiyah community magazine). Other forms of mass media, such as newspaper, radio, and television, had also been used to build a culture of public integrity.

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# **Writers' Biography**

## Business Ethics and Integrity

**Arief Prima Johan.** A junior lecturer in Andalas University since 2012. Thought several courses in the field of strategic management such as strategic leadership, industrial analysis, strategic management, and business international. Earned M.Sc. in strategic management science from Gadjah Mada University.

**Mr. Ma'ruf.** Has more than 10 years experience as a lecturer in Marketing both in Undergraduate and post graduate levels. In addition to lecturing, at his early career he had already involved as member of university team for strategic planning formulation and proposal writing for competitive funding from ASEAN Development Bank (ADB) and Directorate General of Higher Education (DIKTI), he was one of the person in charges in implementing two Andalas University competitive projects namely Technological and Professional Skills Development Project (TPSDP) funded by ADB and Indonesia Managing Higher Education for Relevancy and Equality (IMHERE) Funded by DIKTI from 2002 to 2009. After more than ten years of his career, he started PhD program in 2009 at Maastricht School of Management with research focuses on environmental strategy in hospitality industry. He presented his research paper about adoption of environmental strategy in hotel industry in Indonesia in International Conference in International Business (ICIB), Thessaloniki, Greece, May 2012 and awarded as student best paper.

**Dr. Afzaal Seyal.** Has been working with Institute Teknologi Brunei since April 1990 as Faculty member and also appointed as Head of CIS Department and now as Deputy Dean of Postgraduate and Research. He has been very active researcher and has published over 70 papers in the various international regional and local conferences and in reputed journals. He was invited resource person by OIC, and Seameo Voctech on various workshops on Strategic Management, Research and Digital Divide.

**Yuhana Astuti.** Currently working as a lecturer at Telkom Institute of Management, with specialization in economics and business management. I was graduated from Padjadjaran University for bachelor degree on economics and development study, and also for bachelor degree on mathematics. She holds master degree on industrial management from Bandung Institute of Technology, and master degree on food and life science from Niigata University, Japan. She is interested in study on international trade and industry, family business, and information of economics

**Dr. Nguyen Minh Quang** was born on June 10, 1986, in the southernmost province of Ca Mau, Vietnam. He attended a well-known university called

Can Tho University in the Mekong Delta in 2005.

He graduated the university in 2009 with an excellent Bachelor of Arts degree in Geography and a good certification in IT (software programming and web design). Since 2009, he has worked as a lecturer at one of the faculties of Can Tho University, School of Education, where he used to study before.

He teaches several subjects at the university such as Geographic Information System (GIS), Socio-economic Geography of Vietnam, English for Special Purpose – Geography, and Softwares for Teaching Geography. Also, in this year, he was chosen as one of a few candidates for Mekong Project 120 of Ca Mau by Ca Mau Province People’s Committee, but he refused. In addition to this, Mr. Nguyen Minh Quang always attempts to study science related to his major and has participated in many seminars and conferences that have been held in many well-known universities in Vietnam.

Some of his papers have been published in the summary record of a few conferences such as “A Case Study of Mangrove Ecosystem in Ca Mau Province” (2006), “Geography of Ca Mau Province” (2010), and “Outsourcing and Offshoring: Opportunities and Challenges for Vietnam’s Economic Integration” (2012). Besides, along with the teaching at the university Mr. Nguyen Minh Quang also has worked as telephone operator, web designer, and software programmer for a long time.

**Dr. Veronica Christina, Ak.** is a lecturer at Widyatama University, Bandung, Indonesia. She holds master degree from Accounting major, Gadjah Mada University and Doctoral degree from Accounting Management, Padjadjaran University. Some her’s papers: “Mediation Effect of Management Accounting Information System on the Relationship between Knowledge of Accounting Function, Perceive Environment Uncertainty and Managerial Performance”; “The Influence of Knowledge of Accounting Function, Organizational Commitment on Management Accounting Information System and Its Implication on Managerial Performance”; “*Pengaruh Individual Differences terhadap Management Accounting Information System dan Implikasinya bagi Kinerja Managerial* (dissertation)”, “*Efek Mediasi Kepuasan Kerja dalam Hubungan antara Karakteristik Personal dan Karakteristik Pekerjaan dengan Komitmen Organisasi Dosen Utama*”; “*Hubungan Learning Organization dan Organizational Readiness for Change Universitas Widyatama*”; “*Hubungan Locus of Control Dengan Komitmen Organisasi Dosen*”; “*Hubungan Job Characteristics Dan Job Satisfaction Dosen Pengaruh Karakteristik Personal Mahasiswa terhadap Pengetahuan Mahasiswa tentang Standard Akuntansi Penyajian Laporan keuangan dan Prestasi Akademik Akuntansi Keuangan*”.

**Liza Dwi Ratna Dewi** born in Yogyakarta at Sept 19, 1966. Graduated “Sarjana” from Social and Political Faculty, University of Indonesia, with mayor Public Relations and Advertising at 1993. Also, got the Master of Science degree

from “Pasca Sarjana” Program of Social and Political Faculty, University of Indonesia at 2007. Experience in Public Relations industry as Public Relations Officer at PT Pembangunan Jaya Holding Company and Public Relations Junior Manager in Indofood Dairy Division. Experience in Press industry as reporter at Suara Karya Daily Newspaper and Editor Secretary at Swa Business Magazine. Become lecturer in Budi Luhur University since 1997 until now, and become Dean of Communication Faculty since February 2010 until now.

**Ma. Ella Oplas** is an assistant Professor in the Political Science Department of De La Salle University. Prior to that she was exposed to various development-oriented organizations like the Center for Corporate Governance of the ASEAN Institute of Management as Manager of the project “Promoting Integrity and Accountability in Business”; the Philippine Commission on Women as Chief of the Monitoring and Evaluation Division; and the GREAT Women Project and the Private Enterprise Accelerating Resource Linkages both funded by the Canadian International Funding Agency to name a few. Ms. Oplas has on her sleeves a Bachelor of Science in Applied Economics and a Masters in Applied Economics both from De La Salle University. She will pursue a higher education next term also in the said university under the Doctors of Philosophy in Development.

**Rini Hastuti.** I am 36 years old. I am married and I have one, five years old, daughter. My major is accounting; I got my bachelor degree in 1999 from Diponegoro University; and in 2006 was graduated from Gadjah Mada University for master degree. It is my 12th years of being a lecturer at Soegijapranata Catholic University in Semarang, Faculty of Economics and Business. My academic rank is lector; in 2012 I’ve got my certificate of certified lecturer.

Taxation and Public Sector Accounting are subjects I am interested in; they have become my subjects of lecturing for the last 6 years. I conduct researches and community services in those fields as well. I join in teams to do some government projects in public water provision held by Cipta Karya, Ministry of public work. Despite lecturing public sector accounting, that is the way I share my knowledge in managing public sector. I am also pleased to share my knowledge in taxation by lecturing it in regular classes and by becoming instructor of tax courses.

I join with teams that do tax mentoring and coaching for small enterprises in Semarang. The team members are academics, tax consultants, and officers from Directorate General of Taxes Central Java Region. I was also a department head of taxation at Soegijapranata Catholic University. Therefore tax education is closed to my life. Considering the importance of tax role in funding the government expenditure, it is highly required to have tax payer’s compliance. All students in high education are potential tax payers. Studies

have proven that having tax education or tax understanding can drive tax compliance. This is why tax education may become one prime exact step to build tax payer's integrity in realizing fully tax compliance.

**Dr. Budi Rofelawaty, SE.,M.Si.,Ak.** Place/date of Birth Kandangan (South Kalimantan)/ 24th September 1963. Lecturer (PNS) Kopertis Region XI Kalimantan. Fresh graduate for Economics Department of Accounting at Brawijaya University, licensed in 1987. Graduate for Economic Departement of Accounting at Gajahmada University, licensed in 2001. PhD for Economic Department of Accounting at Brawijaya University, licensed in 2010.

## Integrity and Ethical Issues in Media

**Morissan.** The author is a PhD candidate at School of Communication, UniversitiSains Malaysia (USM), in Penang, Malaysia. Before becoming a lecturer at Faculty of Communication, University of MercuBuana, Morissan worked as a correspondent, editor and news producer for national and international media companies. Morissan has produced ten publications in Indonesian language in communication, and media studies.

**Iwan Awaluddin Yusuf.** Is a lecturer, writer, and researcher in Communication and Media. He is currently teaching in the Communication Department, Islamic University of Indonesia, Yogyakarta, Indonesia. In addition, he is also frequently invited as workshop trainer, conference speaker, facilitator, and consultant, including Guest Lecturer at The Communication Department, State Islamic University Sunan Kalijaga (UIN) Yogyakarta and The Communication Department, Multimedia Training Centre (MMTC) Yogyakarta.

While teaching, he is also an active researcher at The Center of Media and Popular Culture Studies (Pusat Kajian Media dan Budaya Populer - PKMBP) and Media Regulation and Regulator Watch (Lembaga Pemantau Regulasi dan Regulator Media - PR2MEDIA). Both of these NGOs are located in Yogyakarta, and working on media studies and research. He is responsible for conducting research, assessment, monitoring, and advocacy for strengthening media, regulatory, and media regulators in Indonesia and actively involved in the process of education and strengthening public participation to monitor media and media regulator activities.

As an author, he has written more than 25 titles of books (written by himself and with other authors). To mention a few, his books are *The Media, Death, and Minority Cultural Identity*; *Representation of Chinese Ethnicity in Obituaries* (2005); *Book Banning in Indonesia: A Paradox of Democracy and Freedom of Expression* (2010); and *A Guide to Audience Research for Public*

Broadcasting (2011). Iwan also has hundreds of articles published in various scientific journals and popular media since 1994.

**Nevrettia Christantyawati** is a lecturer at Dr Soetomo University. Many researches and community services which she is majoring are environmental communication, persuasion, journalism and media studies, public discourse and cultural studies. She has accomplished some researches and written articles such as; Social Change and Social Movement Due to Routine Flood Coverage, Model of Disaster Education for Indigenous people of Semeru Lumajang East Java, Green Marketing and Ecolabeling, Social and Environmental Campaign, and journalism workshops.

**Syafiq Basri Assegaf.** Currently teaching communication subjects in Paramadina University and post-graduate programs at the London School of Public Relations (LSPR), Jakarta, he writes regularly in various Indonesian mainstream media such as Kompas, Koran Tempo, Republika, Media Indonesia, SINDO, and Inilah.Com.

Is a lecturer, writer, and researcher in Communication and Media. He is currently teaching in the Communication Department, Islamic University of Indonesia, Yogyakarta, Indonesia. In addition, he is also frequently invited as workshop trainer, conference speaker, facilitator, and consultant, including Guest Lecturer at The Communication Department, State Islamic University Sunan Kalijaga (UIN) Yogyakarta and The Communication Department, Multimedia Training Centre (MMTC) Yogyakarta.

While teaching, he is also an active researcher at The Center of Media and Popular Culture Studies (Pusat Kajian Media dan Budaya Populer - PKMBP) and Media Regulation and Regulator Watch (Lembaga Pemantau Regulasi dan Regulator Media - PR2MEDIA). Both of these NGOs are located in Yogyakarta, and working on media studies and research.

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**Dr. Maria Divina Gracia Roldan.** Ma. Divina Gracia Z. Roldan obtained her Ph.D. in Philippine studies (specializing in bureaucracy and external relations) at the University of the Philippines ASEAN Center. she handles graduate and undergraduate courses in the political science and development studies programs at the De La Salle University, College of Liberal Arts, Manila, Philippines. Her areas of expertise include Asian and international studies,

organizational analysis, public-private sector partnership, migrant studies, and governance and information and communications technology (ICT) for social inclusion.

She has led the Research Program Workshop on Disaster Risk Reduction and Management at the De La Salle University. She has presented in international conferences and published in Philippine and international books and journals. She is a recipient of many awards for her research and publications among which are the Republica award given by the Philippine Commission on Higher Education and the University of the Philippines President's Academic Distinction Award. She is a member of the Pi Gamma Mu International Honor Society in Social Science and the International Board of Directors of Project Michaelangelo USA

**Hadi Purnama.** Graduated from Communication Faculty Unpad (under graduate) and in Communication Studies Unisba(post graduate). became a faculty member at the School of Communication Studies (Stikom) Bandung (since 1998) and Director Stikom Bandung (2007-2011). Now serve as lecturer at the faculty of communication, School of Multimedia Communications, Telkom Bandung Institute of Management (since 2012). Organizational experience; board of BPC Perhumas Bandung (since 2010); board of ISKI Bandung (2005), and ASPIKOM participants (since 2008). Actively write articles at local and national newspapers (since 1984) and in scientific journals.

**Gracia Rachmi Adiaris** is a lecturer in STIKOM-LSPR Jakarta since 2006, teaching subjects Organizational Communications and Customer Service Professional. Completed his bachelor of science in communications from the University of Indonesia in 1988 and subsequently worked in various multinational companies. Graduating Master of Management in 2006. Undertakes research and scholarly publications, including: "The phenomenon of emergence Boyband KoreanPop and-girlband" - Proceeding 3rd International Communication Research Conference STIKOM-LSPR Youth, Media and Social Change and the "Korean Culture Wave" which was published in Tempo Newspaper May 2012

**Ira Dwi Mayangsari** having graduated from Communication Science Degree – Padjadjaran University and Management Master Degree – Bandung Institute of Technology, now I work as a lecture in Telkom Insititute of Management. Development communication is my focus of interest so I make researches, write newspaper article and journal about it. As a social responsibility to my society, I become a member of local, national and international organizations which has concern in house wife community from low level income, introducing ICT and giving development message such as education and health for children through video, audio book, poster and bulletin. Enhancing



my media skill, I joined trainings about media. One of them is Media Design For Social Change in Wageningen UR Centre for Development Innovation, Netherland which is sponsored by Nuffic Fellowship.

**Siti Nur Aisyiyah** was born in Jakarta, Indonesia. herbackgorund education is in art, film, and media studies from Jakarta Institute of Arts 1992-1998. She also gets the education from Master of Communication Science of Mercubuana University which is specialized in Media And Political Communications, by achieving Graduation Honor: High Distinction, 2008-2011. Her view on world of arts, sciences, technology and education competencies were achieved from continuing of experiments processes and professional works which includes interactions from ideology, sciences, history, culture, tribes and states.

Aisyiyah is having great reputation with portfolios and show reel which she had done since the year of 90s. She also got some awards as lecturer with the best assessment and educational institution when she teaches. She is author, researcher, film director and producer for best documenter about history figure in art, film, and media in Indonesia "Balads of The Young Man: TeguhKarya (Father of Indonesia Film-1996)". She is also one of authors and the best photographer for "Biography H.BenyaminSueb (Most Legendary Artist in Indonesia-1997). She is also taking a part in some researches, writing process, and reviewer with the theme in art area, history, literature, political communication and The Study of Intelligence And Counterintelligence.

Aisyiyah is also having interest in experimenting in the educational background, art, film, media, and politics communication. Asia audiovisual is one of the experiment results in higher education, world in digital revolution and new media. Her experiment is one of the innovations in the pedagogical approach in digital media era. Aisyiyah has been directing her idea and concept of Asia audiovisual with a lot of networking and thousands of circles that would become the public inheritance.

**Hermayawati** was born in Yogyakarta, 27 December 1956. She is married and has three children. She holds undergraduate degrees majoring on German education department and English education department in 1985 and 2000, Master's degree in research and education evaluation (of English education) in 1999 from State's University of Yogyakarta. She finished her postgraduate degree majoring on applied linguistics (English education) at State's University of Surakarta (UNS) in 2008. She has been currently teaching at English Education Department, the Faculty of Teacher Training and Education University o of MercuBuana Yogyakarta until now.

Besides teaching at several universities in Yogyakarta, she often performs her ideas and her research findings concerning with education in regional newspapers, national and international seminars/conferences. She concerns to improve teachers qualities by conducting community service programs



supported by Higher Education Department, the Ministry of Education and Culture. Not only concerning with formal education, she is also interested in the field of non-formal education involving migrant worker candidates conducted by migrant workers supplier agency.

**Monica Sri Yuliati** was born in Batang, July 10, 1982. I spent my childhood in Batang and my adolescence in Pekalongan, when I attended to SMU Negeri 1 Pekalongan. While in high school, I had a side job as a student announcer at a radio station called BSP FM. It was the beginning of my loving to media and communication field. After graduated from high school, I moved to Surakarta (Solo), I went to Universitas Sebelas Maret to take my bachelor degree in Communication Science. While studying in undergraduate of Communication Science department, I had a great opportunity to be a lecturer assistant in "Radio" course. I also worked as an announcer and a creative director at Radio Metta FM Solo for about three years.

I like singing, so I joined the Student Choir of Universitas Sebelas Maret "Voca Erudita". It gave me many wonderful experiences. The most memorable moment with "Voca Erudita" was in 2002, when we took part in a choir competition, namely #4 Internationaler Chorwettbewerb in Miltenberg Germany. We won the bronze diploma for folklore category.

I was graduated from my college in 2006 and attended my master degree in 2008. Being assistant research was my activity between 2006 and 2008. I was assisting associate professor Pamela Nilan from The University of Newcastle Australia. My lecturing career was started at 2008, my first course is "Research Methodology" at IHS (International Hotel Management School) Solo. After that, I have opportunity to give lecture in variety subjects, such as "Opinion Writing Technique", "Communication Research Methodology", and "Social Research Methodology" at Universitas Sahid Surakarta; "Introduction to Communication", "Introduction to Mass Communication" and "Radio Workshop" at Universitas Muhammadiyah Surakarta; "Corporate Culture", "Market Research", "Community Relations", "Interpersonal Communication" and "Production of Radio Journalism" at Universitas Sebelas Maret.

My recent activities are lecturing, studying new material, and also raising my 3-years old baby boy. One of my dreams is publish a book, whether a fiction or scientific book. My another dream is getting a scholarship to get Ph.D. I always want to be a pleasant person for anyone, give the happiness to my parents, families and friends. I want to be a good woman, good wife, good mother, and good teacher.

## Integrity and Law Enforcement in Corruption

**Anastasia Reni Widyastuti** is Lecturer in Faculty of Law St. Thomas Catholic University Medan, North Sumatera.

**Amin Purnawan** was born in Semarang Indonesia, on December 6, 1965. Alumnus Doctoral Programme Faculty of Law Diponegoro University Semarang, and now Lecturer in Sultan Agung Islamic University Semarang.

**Sri Lestariningsih** has been working at Department Criminal Law, Law Faculty, Brawijaya University Malang since 1990. She concerns to development the field of criminal law, consumer law protection, corporation crime, and criminology. She finished the S1 degree from Brawijaya University, Magister of law and Doctor from Diponegoro University Semarang. She is also active in procurement activity at Faculty and University, and management project of the competition fund program at Brawijaya University.

**M. Syamsudin** was born in Purworejo, Central Java, September 4th, 1969. Graduated from Law School Undergraduate Program of Universitas Diponegoro (Undip) Semarang 1994, Law School Post-Graduate Program of Universitas Airlangga (Unair) Surabaya, 2002, and Law School Doctorate Program in Universitas Diponegoro Semarang, 2010.

Working as lecturer at Law School of Universitas Islam Indonesia (UII) Yogyakarta (for Undergraduate, Post-Graduate and Doctorate Program). Teaching for subjects: Indigenous Law; Anthropology of Law; Method of Legal Research; Philosophy of Law and Theory of Law. Notable career as Chief of Social Research Institute Center of UII Yogyakarta (2002-2005), Chief of Legal Research Study of Law School of UII (2010-present), Secretary of Law School Senate of FH UII (2005-2010), Research Consultant for Institute of Research and Development (Balitbang) of Transportation Ministerial of Republic of Indonesia (2002-present), Editor for UNISIA Journal of Universitas Islam Indonesia (2011-present).

Participant in Training on Social-Legal Studies in Promoting and Protecting Indigenous Rights: A Harmonization between Modern Law and Customary Law in Indonesia, 15 March – 1 April 2010, in Van Vollenhoven Institute, Leiden University, Netherlands. Participant in Sandwich Program in School of Law, Flinders University, Adelaide South Australia, September-December 2008.

The author actively conducts various research activities independently or jointly which is offered by some research institutions, such as Higher Education Directorate General (Dirjen Dikti), Transportation Ministerial, Local Government and etc. His research results have been published in various

research journals. His published books were *"Hukum Adat dan Modernisasi Hukum"* (Editor), year 1998; *"Hak Kekayaan Intelektual dan Budaya Hukum"* (with Budi Agus Riswandi), year 2004; *"Ull in Cita dan Fakta"* (editor), year 2005; *"Operasionalisasi Penelitian Hukum"*, year 2007; *"Mahir Menulis Legal Memorandum"* 2008, *"Pendidikan Pancasila: Menempatkan Pancasila dalam Konteks Keislaman dan Keindonesiaan"*, 2009; and *"Konstruksi Baru Budaya Hukum Hakim Berbasis Hukum Progresif"*, 2012.

**Theofransus Litaay** is the Co-chairperson of Pusat Studi Antikorupsi dan Good Governance (Center of anti-corruption and good governance studies) of Satya Wacana Christian University, Salatiga, Central Java. Lecturer of the faculty of law SWCU Salatiga. Educational background: Law degree from the faculty of law of Satya Wacana Christian University, Master of Laws from the faculty of law Vrije Universiteit Amsterdam – the Netherlands, and Ph.D Candidate from the Charles Darwin University – Australia. Conducted research on governance reform in eastern Indonesia.

**Indah Adi Putri,S.IP,M.IP.** A lecture to political science in political science department, Andalas University, West Surnatera. Interest to philosophy, gender and politics. Writing some opinions in local newspaper "Padang Ekspres", newly is *"Berpuasa dan Berintegritas"* (Fasting and Integrity) on August 201-2. Some article that i wrote are : "Freedom and Indonesian National Awakening" in Proceedings: Nationalism in Indonesia and Other Ssutheast Asian Countries, Juni 2011 (ISBN: 9786028742436); "Influence of Incumbent in Local Head Election" {Case Study: Local Head Election of Padang City, 20081 in Monograph Laboratorium of Political Science Department, FISIP, Andalas University, {ISSN : 2087-87451 Volume 2 No. 1/2011; 'Relationship of Democracy Philosophies with Local Wisdom" in JurnalAnalisaPolitik, JurusanIlmuPolitik, Unand Padang. Volume 1 No.L0 September 2010 {ISSN : 2087-87451} Implementation of Local Wisdom in Era of Local Authonomy as Democratization" in proceeding Seminar Serumpun Indonesia-Malaysia about Islam and State, 07 Oktober 201"0 (ISBN: s786028372 98 5).

**Nukila Evanty** was born in BaganSiapi-Api-Indonesia, 23 May 1975. Education: Bachelor Degree in Law, School of Law, Diponegoro University, Semarang, Indonesia (1997), Master of Laws in International Organisations (LL.M) in University of Groningen (2001), The Netherlands, Master in International Law and International Relations (MILIR) from School of Law University of New South Wales.

Woking Experience as Law Researcher in Center for Research, Data and Information Processing, Secretariat General of the House of Representatives of the Republic of Indonesia, United Nations Residence Coordinator Office as Human Rights Specialist , Visiting lecturer at University of Atmajaya Jakarta,

Faculty of Law. Achievement: paper presenter in the ASEAN University Network-AUN forum, received award from Australian Government in the sector of Democracy and Economic development achievement in 2011.

Hers' publications i.e: Indonesia Human Rights and International Human Rights Regime (2010); The Application of the Doctrine of Command Responsibility in International Law (2011); Understanding Human Rights in your Daily Lives (2011); Handbook on Perda Legislation sensitive to Human Rights (draft 2012).

**Junardi Harahap.** A lecturer at Department of Anthropology Padjadjaran Univer he is currently a Lecturer in the Department of Anthropology, Faculty of Social and Political Sciences, University of Padjadjaran. Finish its scholar(S1) in the Department of Anthropology in the Faculty of Social and Political Sciences, Universitas Sumatera Utara in 2000 with cum laude, and holds a Masters in Anthropology at the Graduate Program Padjadjaran University in Bandung in 2005 with cum laude. Previous experience is as a reporter of The Jakarta Post and Gatra magazine. Previous research experience of which had been a researcher at the Center for Defense Boundary Research (CDBR) Universitas Pertahanan Indonesia, researchers at Bakosurtanal, Kementerian Riset dan Teknologi, researcher AKSES Research, researchers Pengembangan SumberDaya Alam(PSDA) Watch, researcher Multiutama Research, researchers laboratory Faculty of Social Sciences and Political science University Indonesia and research and development magazine Gatra. Besides actively writing in the mass media as well as a speaker at national conference and international conference levels.

## Integrity in the Public Sector

**Loina Lalolo Krina Perangin-angin, M.Si.** A lecturer at Swiss German University. Post-graduate from Department of Communication, University of Indonesia, Jakarta, majoring in Communication Management, getting GPA 3,84 of 4 (Cum Laude) and honored as Outstanding Student. Head of the Communication & PR Department, Faculty of Business Administration and Humanities, Swiss German University, Tangerang.

**Muhammad Wahyudi** completed his bachelor degree in accounting both from Indonesia State College of Accountancy in 2005 and MercuBuana University Jakarta in 2009. Yudi then got his Indonesian registered accountant certification in 2010. Later on, he started the Master of Public Policy program at Michigan State University in January 2011 fully funded by the scholarship from the United States Agency for International Development (USAID). He then graduated from the MSU-MPP program on December 2012. He was

also an intern at the Michigan Department of Community Health where he becomes part of the team that evaluates one of Michigan mental health policy.

He currently works as a government auditor at the Audit Board of the Republic of Indonesia, an independent oversight arm of the Indonesia House of Representatives. His major interest lies in wide range policies towards good government practice and the bureaucracy efficiency. Additionally, he is also interested in the area of political economy, economic inclusion, the utilization of quantitative methods in policy evaluation, and public policy with a focus on state and local public finance. When not in school, Yudi enjoys travelling, watches movies, and hanging out with friends.

**Dr. Sirilaksana Khoman** Senior Advisor at the NACC. She was formerly Dean of the Faculty of Economics, Thammasat University. She received her Bachelor and Master's degree in Economics from the Australian National University, her Ph.D in Economics from the University of Hawaii, and a Certificate in International Trade Regulation from Harvard Law School. She has done research for several international organisations including the World Bank, the Asian Development Bank, and the United Nations Economic and Social Commission for Asia and the Pacific. She has taught at the Australian National University, the United Nations University in Tokyo, and the University of Oregon, U.S.A. Her current research interests are in corruption issues.

**Wahyu Mahendra** were born in October 28th 1987 and graduated from Universitas Indonesia, majoring Public Administration, in 2010. Now i'm a teaching assistant and researcher in Universitas Indonesia. I have interesting in the field of e-government study and i have ever made a research about the implementation of electronic government in DepokMunicipality. I also have ever assisted a research about the disclosure of public information. Now i'm teaching Social Research Method, Research Method for Administrative Science, Introduction to Academic Writing, Comparative Public Administration, and Introduction to Social Research Method.

**Noreha Hashim** teaches Public Administration, Public Sector Management, and Development Administration at the undergraduate level, and Public Sector Management as well as Politics and Decision-making in the European Union at the postgraduate level at Universiti Sains Malaysia, Penang, Malaysia. A Fulbright Scholar in American Constitution, she holds a Ph.D in Government (LSE, London, UK) a MA (Hons) in Public Administration and a BA from Victoria University of Wellington, New Zealand. She was a Visiting Fellow at the Key Centre for Ethics, Law, Justice and Governance, Griffith University, Queensland, Australia (November 2006 – February 2007) and at the Institute of Ethnic Studies (KITA), Universiti Kebangsaan Malaysia (July –

August 2011).

Dr. Noreha's research interests include public sector reforms, ethics, integrity, decision-making, racial unity, national integration, power-sharing and the effectiveness of interest representation in a pluralistic society. Over the years, she has been a consultant to various government ministries and departments including the National Security Council (Prime Minister's Department), the Ministry of National Unity and Integration, the Penang State Government Economic Planning Unit (UPEN) and Penang State Regional Development Authority (PERDA). She is also an appointed Disciplinary Committee Member of the Investigative Tribunal, Advocates and Solicitors' Disciplinary Board, Malaysia, from 2005 until now. She has been an invited speaker at various seminars and round table discussions, presented numerous papers and has given public lectures on the politics of Malaysia, ethical issues of civil servants and the integrity of the public sector both in Malaysia and overseas (Germany, The Netherlands, Australia, New Zealand, UK and Thailand). She was also a member of the 2010 curriculum review committee of the Second Experts Meeting on ASEAN University Network International PhD Programme in ASEAN Studies (IPPAS) and Workshop on Curriculum Review for the ASEAN University Network International Masters in ASEAN Studies (IMAS) Programme.

**Nur Faidati** was graduated from department of politics and government Fisipol UGM (2005). I am currently working as a general administrative staff in Center for Capacity Development and Cooperation (PPKK) Fisipol UGM. As a general administrative staff, I handle technical and administrative tasks and in several times i'm involved in research activities. Following are some of the research I have been involved in: The Influence of Perceptions About Driving License (SIM) as the Control Instrument of The Traffic Safety: Case Studies in Yogyakarta (2004); Local election campaign 2005 in Sleman (2005); Survey on Lesson Learned and Best Practices of Non government Stakeholder in post-Earthquake Reconstruction Yogyakarta, 2006 Cooperation CPS Yogyakarta with Partnership for Governance Reform in Indonesia (2006); Institutional Development of the Population Administration in DIY (2010); Influence of Ethnicity and Religion in the bureaucracy of South Sorong regencies (2010); Proliferation Assessment of Wamena City from Jayawijaya Regency (2011); Proliferation Assessment of Imekko Regency from South Sorong Regency (2012); and Study of Regional Development of Imekko, South Sorong Regency (2012)

In handling technical tasks, I was involved in the preparation of training activities, such as preparation of training of The Reports of The Performance Accountability of Government Agencies (LAKIP), training preparation of SKPD's Strategic Planning (Renstra), training of duties and functions of



parliament, training of the district's head and other trainings with particular themes.

Before I worked at PPKK Fisipol UGM, I worked as a personal assistance of Mr. Bambang Purwoko, lecturer of department of politics and government of Fisipol UGM (January 2010-February 2011). My Job's Description were; preparing the course materials, preparing the presentation materials for training, collecting and compiling research material, project's data updating, correspondences, appointment arrangement, working trip schedule arrangement, filling and data updating.

Before that, I also worked at the PPM FEB UGM (2009) as a PR and marketing Supervisor in charge of arranging the project's proposal, offering some projects or activities in the companies, managing the project, procurement filling, inventory control, and administration assistant; preparing for breakdown statement for the project, project's data updating, business correspondences, arranging the appointment, arranging the work trip schedule, filling and data updating.

After graduated from Fisipol UGM I worked as an Assistant of Program Manager of Centre for Policy Studies (CPS) Yogyakarta (April 2006 – August 2009). At this institution I have several tasks, such as: arranging the project's proposal, offering some projects or activities in the companies, managing the project, procurement filling, inventory control, and administration assistant; preparing for breakdown statement for the project, project's data updating, business Correspondences, arranging the appointment, arranging the work trip schedule, filling and data updating. When I was a university student, I worked as a Home Assistant The Lecturer of Department Psychology UGM, Drs. BagusRiyono, MA (Sept 2003 – Jan 2006). I had tasks, such as: Preparing the course materials, preparing the presentation materials for training, collecting and compiling research material, project's data updating, filling and data updating.

**Tenti Novari Kurniawati** is currently studying for a master, Faculty of Political Governance, decentralization of political studies concentration area GadjahMada University. The author was born in Yogyakarta, 33 years ago, and currently lives in Bantul, Yogyakarta. Everyday, the author became social worker in Yogyakarta and as head of public budget governance at IDEA Association. The author was once a community organizer in Strengthening the Role of Women's Political Committee) Lappera Yogyakarta and a research and development staff in LAPPERA Yogyakarta. The author also been a campaigner in IDEA from 2004-2006 as a community organizer and program development. After the earthquake in Yogyakarta, the author joined the Emergency Response Team (ERT) Oxfam GB Yogyakarta as accountability and learning officer, and then joined the Partnership for Governance Reform in

Indonesia as a program officer for multistakeholder engagement. Since 2009 until now, the author re-joined the Society of IDEA.

The author has researched study of local budget and performance index in the area of budget management at Gunungkidul and Bantul district, Diy Province. Fellow researcher in scoping study for transparency of Revenue Sharing at the extractive mining industry in Bangka. Research and evaluation: "Capacity building for planning and budgeting in Gunungkidul 'along with GTZ GLG DIY. Enumerator for assessment of human recovery needs assessment (HRNA) and post-disaster needs assessment (PDNA) Merapi Eruption 2010 and enumerator and team analyzes satisfaction of Public Service in the Field of health, education, agriculture and regulatory kab.Gunungkidul, Yogyakarta, Sleman Bantul and Kulonprogo. The author also often facilitates training gender budget and pro poor budget for the community, NGOs and the government, as well as providing technical assistance to the government and local parliament. The author also often facilitate social audit training for the community.

The author has been involved in the preparation of training modules Change Management and Innovation: Public Policy Formulation based on transparency, participation and accountability, Modules Rural Women's Political Education, training modules for budget advocacy and social audit. The author has written a book Corruption, Naked in the Eyes of Women, Books Women In Whirlpool Democracy: From Door to Door Autonomous empowerment. The author has to be nominated for the top 10 nationwide calls for paper: Towards Empowerment. Seize the Women's Rights Top Health, Critical Analysis on Health Budget Allocation for Women's Health Service in Bantul Regency, Yogyakarta) and published in the book Increasing Public's Participation and Access to Analyzing Regional Regulations to Ensure the Transparency and Accountability of the Regulation Implementation organized by YIPD and Justice for the Poor. Posts authors entitled "Conflict in the determination of Revenue Sharing between the Central Government and the Provincial Government of East Kalimantan" published in the September issue of the Journal Fisipol UGM 2012.

**Wawan Edi Kuswandoro.** Master in Social and Political Sciences from Airlangga University, Chief of Advisory Board for Research and Community Service at Faculty of Social and Political Sciences, University of Brawijaya, Lecturer at Department of Political Science at the same university. Previous activities are in a practical area as a Chairman and Commissioner of General Election Committee of Probolinggo Municipal (East Java) and Chairman of Education Council at the same town and Coordinator of The TapalKuda Region Consultative Forum for Education Council on East Java region and Chief of Laboratory for Political Science and Policy Engineering, Department



of Political Science, Faculty of Social and Political Sciences, University of Brawijaya. Recently as an active member of Indonesia Integrity Education Network (IIEEN) for East Java, Bali and Nusa Tenggara Region. Have four book published, theme of local democracy, local politics, social capital and public policy.

**Dr. Marcella E. Simandjuntak** permanent Educative Staff, Faculty of Law of Soegijapranata Catholic University, since 1994. 2. Head of the Centre of Women Studies, Research Institute of Soegijapranata Catholic University, since 2010. Holds Law Doctorate Program of Diponegoro University, graduate in 2010.

## Integrity and Public Health Formulation and Management

**Ita Sulistyawati** a lecturer at Soegijapranata Catholic University.

**Siti Masfiah.** Master of Health Promotion Diponegoro University – Master of Art Mahidol University, Thailand (2009 – 2011), Public Health Faculty/ Diponegoro University ((2004 – 2008). Follow some training i.e: Video-Conference Course on HIV and AIDS Prevention Education (FKM UI – other universities under UNESCO network) (2009); Official Training Programme in Prevention And Rehabilitation of Lung Disease ( BP4) Semarang (2008); Official Training Programme in Tulungagung Distric Health Bureau (2008); Field Training in Ciamis Disease Prevention Center (2008); Practical Visit, Health Science Centre, Burapha University, Thailand (2007); One Month Training of Empowerment Youth Program on Substance Abuse, HIV/ AIDS and Hepatitis C for Young (YAKITA – UNICEF) (2006); Earthquake Early Control Management, FKM UNDIP (2006); and Young Generation without Drugs, UKM Peduli Napza (2005). Work Experience: Lecturer (in Public Health Faculty) Jenderal Soedirman University (2012 -now); Health Promotion research Center (2011); Etos Scholarship Assistant (2009); The Central Java Empowered Youth Coordinator (2009); Peer Educator of Central Java Empowered Youth (Yakita-UNICEF) focus on HIV/AIDS, Addiction and Health Reproduction (2008)

**Edi Basuno** born in Klaten, Centtral Java. Graduated from Faculty of Biology, Gadjah Mada University and currently as researcher at the ICASEPS.

**Dr. Sutopo Patria Jati** graduate as medical doctor (1993); as Magister of health (2012); as Doctoral of Education Management (2011). The lecturer in School of Public Health Diponegoro University since 1999-now. Consultant of several health projects from USAID, GTZ, WB and Unicef 2006 – now.

## Moral Integrity through Religious-based Education

**Jamaluddin Sitepu** born in Binjai on the 8th of June 1967, I grew up in Langkat regency. My elementary education I spent in Padang Cermin. My Junior school was in Kuala, and my high school education I spent in Binjai. In 1986 I moved to Yogyakarta to start my BA study and I finished it 1991 on International Relations. As I returned from Yogya, I was active in ELLPAMAS (a local NGO working for human rights) and in Association of Moslems Students in Binjai and Langkat as instructor/trainer. I also trained Islamic values and ethics for Junior and High Senior School students. In 2004, I got Chevening Scholarship from British Council and started my MA in York University. Studying Post-war Recovery Studies, I completed my MA in 2005. Back from York, I returned to Langkat and Binjai, still teaching Islamic values and ethics for students, and back to Elppamas as Executive Director. Research and Surveys are now becoming one of my expertises. Now I am also working in DPRD Langkat as expert staff for Head of DPRD Langkat.

**Riris Loisa** is a lecturer in communication science, teaching mass communication, intercultural communication, and other subjects of communication science. Loisa earned her bachelor and master degree in communication science from the University of Indonesia. She started her carrier as an assistant lecturer in The Department of Communication Science, University of Indonesia in 1994. Since 2007 until today she became a full-time lecturer in The Faculty of Communication Science, University of Tarumanagara in Jakarta. Loisa has written several essays for journals and book of conflict and presented academic papers in various seminars and conferences in communication. Today she is in her doctorate program of Communication in the University of Indonesia.

**Dimas Bagus Wiranata Kusuma** currently a Ph.D Student in Economics and Part Time Lecturer in Department of Economics, International Islamic University Malaysia. Area of specialization is monetary economics, and Islamic Banking.

**Ahmad Qisai.** He is a multitalented, versatile scholar with experience in professional management, development, research and teaching. With a Ph.D in politics, his academic interests are on issues related to South Asia, especially India, Islam and politics, democracy, international relations and governance. Professionally, he works on governance issues related to anti corruption, integrity promotion, bureaucratic reform, public service and local government strengthening, human rights, conflict resolution, civil society strengthening, forest law governance among others. He is a high achiever,

who is dedicated to professionalism, political development, human rights and intellectual rigor. Currently, apart from being a lecturer at Paramadina Graduate School of Diplomacy on Islam and political identity in international diplomacy, new world's economic powers and seminar on current issues, he is also a Program Manager for Civil Society and Open Governance at the Partnership for Governance Reform (Kemitraan).

**Akbar Meirio** A lecturer at President University, at Jababeka City, in Cikarang, Bekasi. He received his bachelor degree (S.Sos) in International Relations from Universitas Indonesia, and Master of Philosophy in International Politics from University of Glasgow, United Kingdom.

He joined with the President University as lecturer in early January 2013. He is currently teaching International Culture and Communication module. Prior to the assignment as lecturer at the University, he had been involved in several research related works within United Nations Development Programme (UNDP), the Documentation Centre of Cambodia (DC-Cam), Commission of Truth and Friendship (CTF) between Indonesia and Timor Leste and Save the Children UK.

**Akbar Meirio** has very wide interest on the social and political as well as international issues. In addition his interest on good governance and international issues, he has a lot of interest in crisis prevention and recovery issues, particularly in the field of conflict and disaster management.

**Dr. Biyanto.** A lecturer of Ushuluddin Faculty, Institute of Islamic State (IAIN) Sunan Ampel. I was born in Lamongan city in 10 October 1972. I finished postgraduate (doctor degree in IAIN Sunan Ampel in 2008. I also taught postgraduate (master degree) in IAIN Sunan Ampel Surabaya, Muhammadiyah University of Surabaya, and Muhammadiyah Universty of Sidoarjo. Beside that I am aasesor Badan Akreditasi Nasional for Higher Education (BAN PT) (since 2010), associate member of Tiri Making Integrity Work (since 2009), Head of Elementary and Middle Education Departement Muhammadiyah of East Java Provincial level (2010-2015), and member of Badan Akreditasi Sekolah/ Madrasah of East Java (2012-2017). Until now I published several books for example; *Teori Siklus Peradaban* (2004), *Mendorong Dakwah Anggaran* (Team, 2007), *Resolusi Konflik Islam Indonesia* (contributor, 2007), *Pendidikan Kewarganegaraan* (Team, 2008), *Pluralisme dalam Perdebatan* (2009), *Urgensi Penggunaan Ilmu Sosial dalam Studi Keislaman* (2009), *Menegakkan Pluralisme* (contributor, 2009), *Ritual yang Terbelah* (2012), and *Mewujudkan Pendidikan Unggul* (2012). Several articles also published in mass media; Jawa Pos, Surabaya Post, Kompas, Seputar Indonesia, Surya, Radar Surabaya, Matan and Suara Muhammadiyah Magazine. Receiving title "DosenTeladan" of IAIN Sunan Ampel Surabaya in 2007.

**Ferry Efendi.** A lecturer at Faculty of Nursing Airlangga University Surabaya Indonesia. Aside as lecturer, he is also in charge in dealing student activity at university level.

**Muhammad Najih Ferihanto, S.I.Kom.** Lecturer on department of communicationsciencesAhmad Dahlan UniversityYogyakarta and undergoing study on post-graduate program in department of communication sciences Gajah Mada University.

**Akhmad Jayadi** was born in Pamekasan on April 14th 1981. He obtained bachelor degree on economics and development studies form Uiversitas Brawijaya Malang in 2006, and obtained master degree on development economics from Universitas Gadjah Mada Yogyakarta in 2012. He worked at The Habibie Center Jakarta as an economic researcher from 2006 to 2010. Now he is working at Universitas Islam Madura as lecturer on social sciences. He is also working as research fellow in Center for Indonesian Regional and Urban Studies (CIRUS) Jakarta. During his experience he followed three workshops in Taipei, Taiwan (2008 and 2012), and one training in Nanning, China (2009)





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