

# A New Approach to Preventing Corruption in Indonesia: A Study of the TP4 in Central Java, Indonesia

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**A New Approach to Preventing Corruption in Indonesia:  
A Study of the TP4 in Central Java, Indonesia**

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**Abstract**

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This article scrutinises the Escorting and Safeguarding Team to Governance and Development (TP4), a newly established prosecutor task force in Indonesia appointed to supervise government projects. Its effects in curbing the corruption that has plagued said projects and boosting the budget absorption of the Indonesian government are also explored. The research is conducted as a quantitative case study to the works of the regional TP4 of Central Java during the period of January 2016 until July 2018. The TP4 was established by the High Prosecutor Office of Central Java in 2016. The findings of this study show that the establishment of the TP4 in Central Java has contributed to the exponential increase in budget absorption rates and has drastically reduced the level of corruption crimes. The research also shows that such achievements are due to the 2 roles played by the TP4: As a legal advisor, it extends exhaustive support mechanisms; as a legal inspectorate, it has exhaustive alternative legal settlement mechanisms. Hence, we contend that the TP4 has proven its efficiency in achieving 2 seemingly contradictory goals (i.e., curbing and preventing corruption while enabling bureaucrats to progress with their projects without fearing corruption indictment). However, we also acknowledge the limitations of this study, as only statistical data have measured the progress of the TP4. Because of this, we suggest that progress cannot be solely determined by numbers but also by indications of positive behavioural reform within the Indonesian bureaucracy. Thus, further research is required on this topic.

**Keywords:** Corruption Prevention, Budget Absorption, Government Projects, the Supervision and Security Team of Governance and Development, Central Java

**Introduction**

Corruption is still an endemic and pervasive practice in Indonesia's public (i.e., government and politics) and private (i.e., business) domains. As Indonesia is a developing country, not only in terms of economy but also democratisation (Olken, 2010), research shows that this persisting corruption is institutionalised, which results in a fraudulent culture. Thus, such corruption practices are inescapable in bureaucratic environments (Donato, 2016; Olken, 2007;

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Olken & Pande, 2012; Setiani, Huda, Pulungan, & Winarko, 2017; Prabowo, 2014). The latest country report on 'clean governments' by Transparency International (2017) shows that Indonesia ranked considerably low (96th out of 180 states) in terms of clean governments. The most corrupt sectors are the public sectors and include the public procurement, budgetary, and extractive industries (Transparency International, 2018). Bribery, budget mismanagement, embezzlement, unauthorised collection, and licensing are the most frequent forms of corruption in Indonesia, and they have resulted in immense losses in terms of state assets, stagnant or regressive development, and public distrust of the government (Ganie-Rochman & Achwan, 2016; Maulana & Situngkir, 2013; OECD, 2017).

The Indonesian government has taken action and adopted policies to combat corruption. At an international level, Indonesia had ratified the United Nations Convention against Corruption. At the national level, the primary statutes regarding anti-corruption in Indonesia are Law No. 31 of 1999 on the Eradication of Corruption Crime, as amended by Law No. 20 of 2001; Law No. 28 of 1999 on the Clean and Free State Management from Corruption, Collusion, and Nepotism; Law No. 30 of 2002 on the Corruption Eradication Commission (KPK); Law No. 46 of 2009 on the Corruption Court; and Law No. 8 of 2010 on the Prevention and Eradication of Money Laundering. The first law includes a fundamental statute that defines corruption, as stipulated in article 2, paragraph 1:

Anyone who illegally commits an act to enrich oneself or another person or a corporation, thereby creating losses to state finance or state economy, shall be sentenced to life imprisonment or minimum imprisonment of 4 (four) years and to a maximum of 20 (twenty) years and fined to a minimum of Rp 200,000,000.00 (two hundred million Rupiahs) and to a maximum of Rp 1,000,000,000.00 (one billion Rupiahs) (Law No. 31 of 1999 on the Eradication of Corruption Crime).

Moreover, the Indonesian government has also established an integrated system between the attorney general of Indonesia (AGI) and the KPK to form the prosecuting body for corruption cases in the Corruption Court. This body is supported by the Indonesian National Police (Polri), the Financial Transactions Analysis and Report Centre (PPATK), the Audit Board of Indonesia

(BPK), and the Financial and Development Supervisory Agency (BPKP). Together with the AGI and the KPK, these institutions encompass the anti-corruption enforcement system in Indonesia.

Such exhaustive legal and institutional frameworks are proven to have a stellar record in combatting corruption. Yet, the Corruption Perceptions Index for Indonesia has been increasing steadily for the last 5 years to double that of 1998 (Transparency International, 2017). As of 2004, there are 122 parliamentarians, 25 ministers, 17 governors, 51 regents and mayors, 130 high-ranking bureaucrats, and 14 judges that have been imprisoned for corruption (Transparency International, 2017). In addition, 1,834 individuals from the police force, attorney general's office, and various government institutions have been suspected of illegal levies (Transparency International, 2017). It has been reported that the KPK recovered 497.6 billion Rupiahs of state assets, and the AGI had confiscated 17.6 billion Rupiahs of illegal fees (Transparency International, 2018). Moreover, in spite of the rampant corruption practices in Indonesia, research contends that Indonesia shows a linear correlation between institutional reforms, high rates of prosecution against corruption, and extensive public support for the repression of corruption crimes (Cameron, Chaudhuri, Erkal, & Gangadharan, 2009). However, it has also been suggested that such repressive enforcement may have prompted corruption practices to evolve and adapt and find alternative ways of embezzling public money (Olken, 2006; Olken & Pande, 2012). As corruption has become institutionalised, handling corruption through repressive approaches (i.e., prosecution) may not be sufficient (Disch, Vigeland, Sundet, & Gibson, 2009; Schütte, 2012). Thus, an alternative approach is needed to prevent such corrupt acts from being performed. However, a caveat that the priority of preventing should not undermine the persecution itself should also be applied.

In 2015, the AGI established a special task force consisting of local prosecutors to supervise the progress of government development projects. The task force was named the <sup>2</sup> Escorting and Safeguarding Team to Governance and Development (TP4) (*Tim Pengawal dan Pengaman Pemerintahan dan Pembangunan*). However, the TP4 was not solely intended as an internal crime and law enforcement team for government projects, even though it consists of prosecutors. Rather, the TP4 was also intended as a development accelerator, or precisely, helping the projects to be finished faster, more accountable, and cleaner from fraudulent practices. Hence, this indicates the TP4's dual roles as an inquisitor, which supervises, prevents, and persecutes alleged fraudulent acts, and a legal advisor which provides counsel in legal matters. This article

will discuss the TP4 as a breakthrough approach to anti-corruption in Indonesian government projects. The discussion is guided by the following research questions: 1) What are the goals, functions, and mechanisms of the TP4? 2) What developments have been made by the TP4 in relation to boosting budget absorption and project realisation?

## **Method**

### **Research Design**

This article is designed as in empirical legal research. Empirical legal research analyses the implementation and implication of laws (e.g., regulations, policies, court decisions) and their practices (Wing, McConville, & Chui, 2007). In so doing, the empirical legal research is subject to methods of social research, such as qualitative and quantitative methods (McCrudden, 2006; Suchman & Mertz, 2010). Thus, the research design of this article is a quantitative study based on numerical data so as to elaborate the analysis in relation to the research questions.

### **Specification of Research Data**

The data presented in this article are derived from quantitative data and complemented by minor qualitative data. The quantitative data in the research are a recapitulation of the statistical records of the TP4D of Central Java. These records are presented as charts and tables in the study. The minor quantitative data presented in this article consist of 2 types: literature concerning the topic at hand (e.g., regulations, reports) and interviews with field experts.

### **Data Collection Tools**

As in all quantitative studies, the data are then sorted into various charts and tables. The data are separated into the following categories: numbers of projects, total expenditure budgets, institutions, and types of institutions that are supervised by the TP4D of Central Java during the study period. As previously mentioned, this study also used qualitative data gathered from interviews with field experts, including

- 1) Lilik Setyawan, Chief of Division D (Security and Strategic Development) of Intelligence Prosecutor Assistance at the High Prosecutor Office of Central Java.

- 2) Endeono Wahyudi, member of Central Java TP4 team (TP4D), who also served as Leader of the Special Crime Investigation Task Force at the High Prosecutor Office of Central Java.

### **Data Collection**

The study was conducted in Central Java, Indonesia, with the TP4D. The team works under the instruction of the High Prosecutor Office of Central Java, the Central Java provincial government, the regional offices of state bodies, and their private affiliates. The data used in this article records the work of the TP4D from January 2016 to July 2018. The study is limited in terms of time, as the TP4D of Central Java was established in 2015. However, it was not fully functional at this time, as most of the government projects had either been implemented or already completed.

### **Data Analysis**

The quantitative data analysis for this study uses descriptive statistics to describe the main findings (Larson, 2006; Thompson, 2009). The descriptive statistics of this study are intended to display correlations and the periodical progress of the TP4D in terms of boosting the budget absorption of government projects in Central Java and curbing corruption and corrupt practices in such projects.

## **Literature Review**

### **The Fear of Corruption Indictment**

In July 2016, President Joko Widodo of Indonesia held a meeting with the attorney general of Indonesia, the chief of the Indonesian National Police, the chiefs of the High Prosecutor Office (HPO) – a provincial branch of the Attorney General – and the regional chiefs of the Indonesian National Police. In the meeting, President Joko Widodo criticised the high rate of prosecutions of government officials – especially regional heads and high-ranking bureaucrats – under corruption allegations, which he claimed to be contributing to the declining rate of budget absorption developmental stagnancy. The president then delivered 8 instructions to these law-enforcement officials:

1) policy and discretion shall not be penalised *per se*;

2) an administrative offense must be distinguished from one which explicitly expresses the intention to corrupt, as clearly defined by the regulations of the BPK, to which the prosecution process must be taken in accordance;

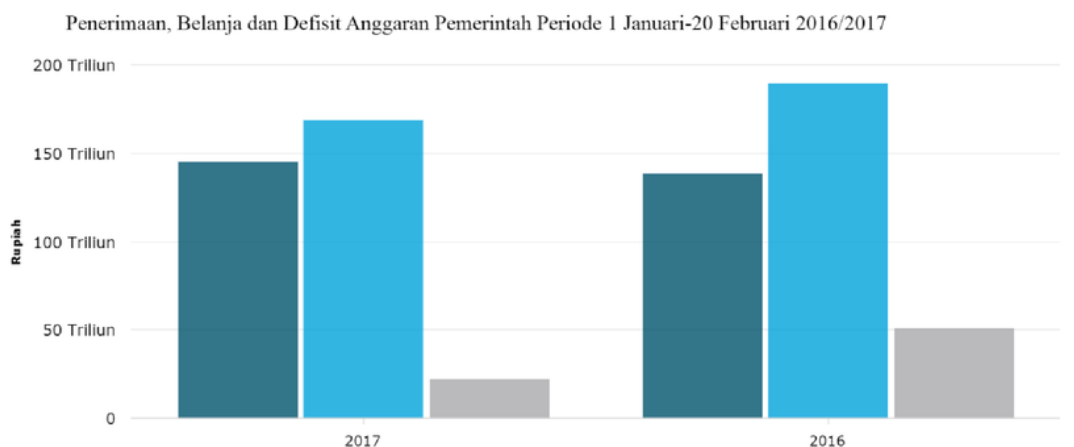
3) there is a 60-day delay period given by the BPK to government officials to rectify the error findings; in the meantime, a prosecution should not take place;

4) there must be concrete details regarding the losses of state funds; and

5) any allegation of corruption shall not be exaggeratingly exposed to the media before the prosecution process takes place (Indonesian Secretary of the Cabinet, 2016).

This speech is controversial, as it could be perceived as the toleration of possibly corrupt behaviour for the sake of development. However, the president's complaints do seem to be justified. This is shown by the rate of budget absorption in Indonesia, which is shockingly low, as illustrated below.

**Chart 1. The realisation rates of revenues (dark blue), expenditures (light blue), and deficits (grey) of the Indonesian State Budget, 2016–2017.**



DATABOKS.CO.ID

(Source: Databoks, 2017: <https://databoks.katadata.co.id/>)

Budget absorption is determined by the ratio of realised expenditure to realised revenue and deficit. The chart shows that the overall rate of budget absorption in 2017 was even lower than 2016. As for expenditure realisation, the achieved realisation rate for 2017 is only 8.1 percent (168.63 trillion Rupiahs) of the total expected rate, which is lower than the rate for 2016 (9.1 percent; 189.41 trillion Rupiahs). Meanwhile, the rates of realised revenue and deficit for 2017 are 8.4 percent (145.443 trillion Rupiahs) and 6.7 percent (22.2 trillion Rupiahs), respectively. The rates are much higher than those of 2016: 7.8 percent (136.75 trillion Rupiahs) of revenue realisation and 17.1 percent (50.66 trillion Rupiahs) of deficit (Seregig, Suryanto, Hartono & Rivai, 2018). However, the chart shows a contrast between the 2017 and 2016 levels of budget absorption: The former is lower, yet has a higher amount of reserved money. This shows that the government had performed poorly in terms of maximising the available budget throughout the period in question.

The stellar record of combatting corruption by the law enforcement institutions (i.e., KPK, AGI, and the Indonesian National Police) have drawn extensive public support that is unshakeable by political manipulation. The anti-corruption law enforcement institutions are notorious for their unyielding attitudes in investigatory and prosecution processes, reaching 100 percent conviction rates (Transparency International, 2018). Such approaches have inculcated the deterrent effects of corruption that are both pervasive and assertive. However, the president's speech bears scrutiny, as he suggests that such an approach could cause a backlash in terms of development.

Several research findings have suggested that legal factors must be considered in terms of budget realisation, where the frequent persecution of corruption has created doubt and reluctance among project officials in terms of carrying out projects. Thus, many projects were hindered or have failed to be implemented (Cimpoeru & Cimpoeru, 2015; Erlina, Tarigan, & Muda, 2017; Husen, Ananda, Santoso, & Khusaini, 2014; Juliani & Sholihin, 2014; Suwanda, 2015; Gusti & Frinaldi, 2017). This psychological fear and doubt among government officials meant that some avoided their responsibilities as decision-makers and managers. Officials are afraid to hold responsibility because they may be persecuted as corruption offenders should there be any mismanagement, even though such errors are amendable if the BPK's report suggests so. Thus, if a bureaucrat is responsible for a project, they tend to perform poorly in cases where the budget cannot be fully absorbed or realised.

Moreover, although corruption is evidently rampant in Indonesia, it can be said that such repressive approaches in terms of detection and prosecution would be enough to curb corruption and also hinder development. Prabowo (2015; 2014) suggests that corruption in Indonesia is 'an outcome of cumulative decision-making processes by the participants,' to which the institutionalisation, rationalisation, and socialisation of corruption networks underlie the conditions of inevitability and necessity. Quah (2003, 2006) contends that corruption in Indonesia has been institutionalised as a 'way of life.' As for budgetary management, Indonesia is notoriously known to be weak in policing its management. This has meant that corruptive vested interests have seeped into budgeting processes, thus making them inherently felonious (Husen et al., 2014; Quah, 2007; Znoj, 2007). These external preconditions have 2 dire consequences for the curbing of corruption in Indonesia: On one hand, such preconditions make corruption more difficult to tackle, as such short-term deterrent effects of repressive law enforcement cannot sever or perish the main problems of corruption. On the other hand, such repressive approaches have prompted government officials' reluctance in progressing with their projects and realising their budgets due to the untreated inherent legal flaws of the country that could lead to indictment. As such, corruption has been institutionalised and vested into managerial positions, and a repressive approach for persecution following the crime would not be effective, because such an approach cannot curb such pathological behaviour in the first place. Instead, a preventive mechanism against corruption is an appropriate strategy for curbing corruption in budget management and boosting budget absorption.

### **The Supervision and Security Team of Governance and Development**

In May 6, 2015, President Joko Widodo issued the Presidential Instruction No. 7: *The 2015 Action Plan of Eradication and Prevention of Corruption*.

The plan was intended for the ministers of the Working Cabinet, the secretary of the Cabinet, the attorney general of Indonesia, the chiefs of Cabinet-level departments, the secretary-generals of the supreme state institutions, the governors, regents, and the mayors.<sup>i</sup> Essentially, the

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<sup>i</sup> In Indonesia, the Supreme State Institutions are the highest constitutionally-mandated institutions by which the country is directly managed. The institutions comprise of the Executive Branch (the president, the vice president, and the Cabinet), the Legislative Branch (the People's Consultative Assembly/MPR, the People's Representative Council/DPR, and the Regional Representative Council/DPD), the Judicative Branch (the Supreme Court and the Constitutional Court), and the Supreme Auditory Board or BPK. Meanwhile, the secretariat-generals are the

plan mandated the intended institutions to cooperate in terms of establishing effective eradication and prevention mechanisms against corruption. The action plan will be implemented differently in accordance with the functions of each institution.

Furthermore, on July 22, 2015, the 55th anniversary of the *Bhakti Adhyaksa* (i.e., the birthday of the attorney general of Indonesia), President Joko Widodo asserted in his speech that the attorney general and its prosecutor offices must prioritise anti-corruption law enforcement by safeguarding the development process to ensure that it is legally valid and tangibly beneficial to the people of Indonesia. Moreover, the president also asserted that the role of the attorney general and the prosecutor offices would not only be one of law enforcement, but also development accelerators. The president contended that this would mean that the attorney general would safeguard and escort development, the progress of which is run by bureaucrats and departments, to be executed in line with the law and untainted by corrupt practices. As for the related Presidential Instruction No. 7 of 2015, this role of a 'development accelerator' became the main task of the attorney general as part of the action plan.

In response, the attorney general of Indonesia, Muhammad Prasetyo, issued the Decree of the Attorney General of Indonesia No. 152/A/JA/10/2015 on the Establishment of <sup>2</sup>the Escorting and Safeguarding the Team of Governance and Development (*Tim Pengawal dan Pengaman Pemerintahan dan Pembangunan/TP4*). As previously mentioned, the TP4 is a special prosecutor team that is assigned to assist, escort, and support the success of the governance and general development by ensuring development is in line with the law and untainted by corrupt practices. The TP4 was established in each prosecutor's office, both central and regional, with the latter specifically termed TP4D, with the 'D' meaning *daerah* or local in Indonesian. The team consists of 6 members: a prosecutor head of intelligence as the team leader, a prosecutor head of public and administrative law as the deputy, a prosecutor of intelligence affairs as the sub-team leader, a prosecutor of public and administrative law as the team's secretary, and a prosecutor of special criminal crime as the member. The TP4's membership format is expandable; thus, the team leader of the TP4 can employ other prosecutors and even outsource independent experts such as lawyers, auditors, and researchers. The TP4D has been working for 3 years, yet there are no international-scale research studies regarding their work. Thus, this article intends to present a preliminary

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supporting bureaucrats who are tasked with the administrative management of the institution's affairs. A secretary-general is usually an appointed high-ranking civil servant.

analysis of the effectiveness of the TP4 in terms of its dual role in law enforcement: As a development accelerator, by which a government project can progress free from corruption and fraudulent behaviour, and as a booster of budget absorption.

## Findings and Discussion

### Goals, Functions, and Mechanisms of the TP4

The role of the TP4 is important because it ensures that the clients' (government bodies) budget realisation in government projects (e.g., construction, procurement) or programmes (e.g., education, social welfare, health) is administered, executed in a legally valid manner, and yields maximum absorption of said budget. The inception of the TP4 is based on a dual and intertwined paradigm of a prosecution institution as both a law enforcer and development accelerator. This paradigm suggests that the realisation of justice is not only based on repressive penalisation but also on its contribution to the development of social welfare. As for the latter role, the prosecution institution must also safeguard and advance the progress of government projects (Prasetyo, 2017). The TP4 was established due to the unrest of the central government concerning the exponential decline of budget absorption. This anxiety was caused by the rampantly repressive detention of corruption crime and the psychological fear and doubt of government officials in making decisions and progressing with their projects (Erlina et al., 2017; Hessami, 2013; Husen et al., 2014; Susanto & Badrudin, n.d.; Suwanda, 2015; Gusti & Frinaldi, 2017; Znoj, 2007). This condition is then aggravated by the intricately institutionalised fraudulent and corrupt behaviour of individuals and their lack of legal knowledge regarding good governance and budget- management procedures (Seregig, Suryanto, Hartono & Rivai, 2018). This renders the policy-making process of budgeting inherently prone to corruption, fraud, and embezzlement (Olken, 2007; Quah, 2003; Prabowo, 2014; Znoj, 2007).

The legal cornerstone of the TP4 is stipulated by the Decree of the Attorney General of Indonesia No. 152/A/JA/10/2015 in conjunction with the Presidential Instruction No. 7 of 2015, No. 10 of 2016, and the Presidential Decree No. 54 of 2018 in the National Strategy of Corruption Prevention. According to the attorney general's decree and these regulations, the TP4 has official goals and a desired states of affairs (Prasetyo, 2017): 1) To dispense with the reluctance and doubt of government officials in decision-making; 2) to reform the bureaucracy by effectively and

efficiently hastening nationally strategic government projects; 3) to maximise budget absorption; 4) to create a convenient and economically driven investment climate; and 5) to create an effective law enforcement by prioritising prevention over indictment.

In order to achieve the official goals presented above, the TP4 has 4 functions, as elaborated on in Table 1:

**Table 1.**

*Functions of the TP4.*

Functions	Concrete Actions
<p><b>1. Legal Procurement</b></p>	<p>a. Providing legal materials (e.g., legislations, jurisprudences, <i>amicus curiae</i>, annotations, research, manuals) related to the planning, auctioning, execution, supervision, permittance, procurement, administrative conduct, and management of state finance in any government institution, state-owned enterprise (BUMN), domestic enterprise (BUMD), and other parties.</p> <p>b. Outsourcing external assistance that requires capability, competency, and relevancy in providing the required legal materials (information and advice) to be addressed to government institutions, BUMN, and BUMD.</p>
<p><b>2. Providing Legal Clinics</b></p>	<p>a. Providing forums regarding problem identification in the budget absorption and development process for the government institutions, BUMN, and BUMD.</p> <p>b. Providing legal counselling and consultancy on the TP4's own initiative or as a result of a request from the aforementioned parties.</p> <p>c. Giving legal opinions, advice, and recommendations regarding policy implementation, legislation, mechanisms, and procedures with budget management government officials in relation to budget absorption matters in every stage of the development process.</p>
<p><b>3. Legal Supervision</b></p>	<p>a. Cooperating with the Internal Supervision Apparatus of Government (APIP) in order to prevent deviations or violations that can hinder, fail, or incur losses of state finance.</p> <p>b. Monitoring and evaluating the execution of the project's development programmes along with corresponding institutions (APIP).</p>
<p><b>4. Law Enforcement</b></p>	<p>a. Imposing repressive enforcement with the cooperation of APIP whenever preliminary evidences of corruption and administrative offences are found.</p>

Given the goals and functions above, it can be said that the goals of the TP4 represent the official goals, whereas its functions represent the operative goals. To achieve these expectations, the TP4 must implement approaches that are different to what prosecutors typically implement as law enforcers. It was mentioned in the president's speech and by Prasetyo (2017, 2017a) that the attorney general and its prosecutor offices are given dual roles: To prevent corruption in development strategies by representing development accelerators.

Given such a dual role, the TP4 resembles both a legal inspectorate and legal advisor. The former manifests the authority of the TP4 as a law enforcer that supervises the execution of government projects or programmes. The latter provides legal assistance to government clients who are in doubt as to the validity and consequences of their actions and decisions, thereby helping them to progress confidently while also avoiding the risks of corruption.

The TP4 acts by the request of a managing stakeholder (i.e., the government officials and partners) of a government project/programme. This project/programme can also become the client. However, not all requests will be responded to by the TP4. According to the Decree of AGI No. 014/A/JA/2016 on the Technical and Administrative Mechanisms of TP4, the TP4 will only respond to a supervision request if the project is categorised as 'strategic' and 'prioritised.' A project needs 4 preconditions in order to be supervised by the TP4: 1) The project must be in the initial stage of development; 2) the project must cost more than Rp 100.000.000,00 (one hundred million Rupiahs); and 3) there must be an indication of a lack of a supervisory entity within the applicant's institution. If the request is approved, the TP4 can administer some of the following activities:

1. **Preliminary Observation and Analysis.** Here, the TP4 cooperates with the APIP in order to assemble the preliminary report regarding the problem findings.
2. **Legal Assistance.** Here, the 3 legal functions of the TP4 (i.e., legal procurement, legal clinics, and legal supervision) are implemented. In practice, this also includes non-legal works that are similar to risk management works (e.g., risk mitigation, lobbying).
3. **Final Report.** The report consists of the overall activities, results, and further recommendations. The report will be delivered to the project officials and the HPO.

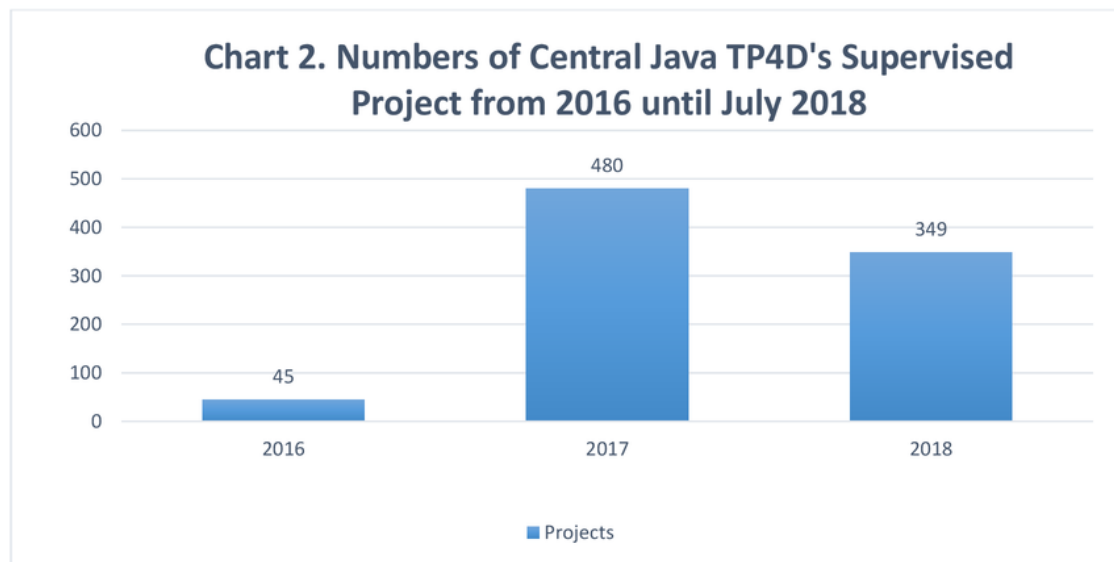
4. **Investigation.** This step can only be administered if a preliminary indication of corruption or fraudulent acts is detected. The evidence can be assembled through the report of the APIP or other auditory and supervision experts.

Furthermore, it must be noted that the TP4's services do not extend to representing client affairs in litigation processes (i.e., investigations and trial defence). Instead, given that the TP4 is essentially a team of state prosecutors, it still has the authority to prosecute whenever an indication of corruption or fraudulency is detected. Therefore, all of the TP4's functions (other than its law enforcement functions) are meant for non-litigation affairs.

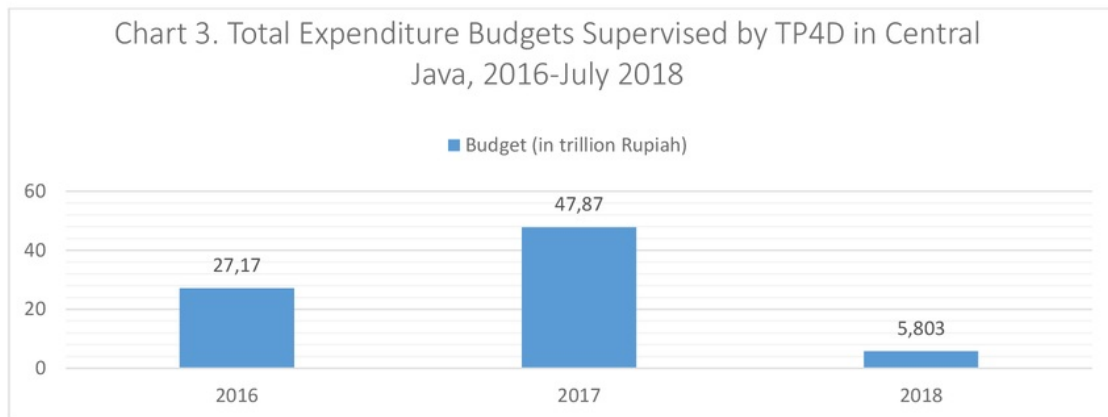
### **The Impact of the TP4 on the Progression of Government Projects: A Case Study of the TP4D of Central Java**

#### ***Budget Absorption***

In response to the Decree of the Attorney General of Indonesia No. 152/A/JA/10/2015, the HPO of Central Java established the TP4D of Central Java in 2015. The TP4D of Central Java is authorised for government projects and programmes across Central Java. Furthermore, the HPO promoted the TP4D in all government institutions in Central Java in order to attract clients. The presence of the TP4D has been met with positive response, as the level of supervision has been increasing exponentially since 2016, as shown in Chart 2 and Chart 3.

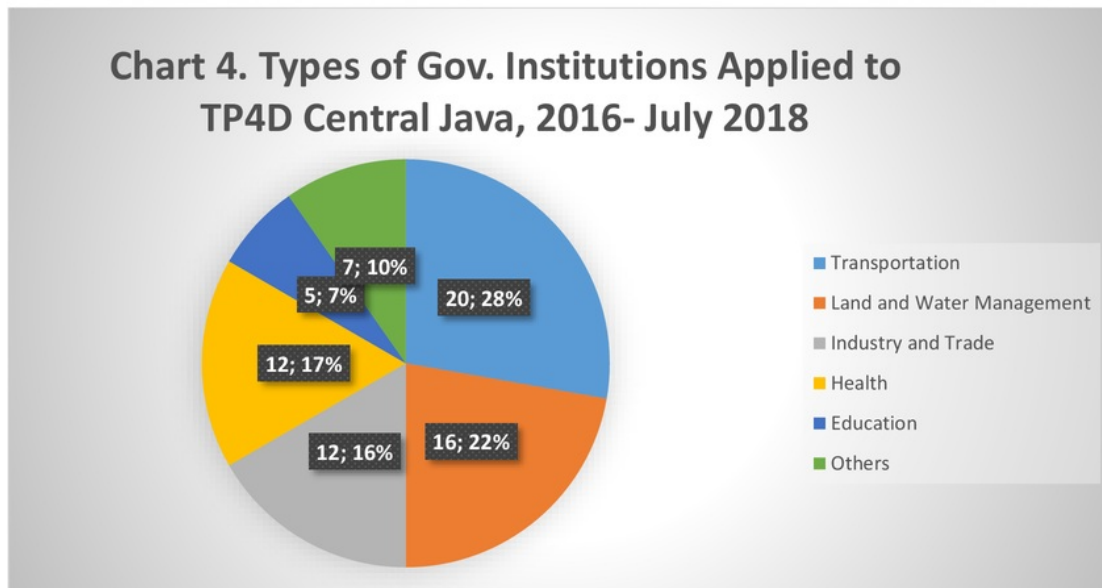


(Source: Division D of the Central Java High Prosecutor Office, August 7, 2018.)



(Source: Division D of the Central Java High Prosecutor Office, August 7, 2018.)

Furthermore, the number of supervised government institutions also fluctuated in the same fashion, as shown in Chart 4 and Chart 5.



(Source: Division D of the Central Java High Prosecutor Office, August 7, 2018.)

Charts 1 and 2 show a drastic increase in supervisory activities of government projects by the TP4D of Central Java. According to an interview with prosecutor Lilik Setyawan (August 7, 2018), the drastic increase is due to the success of the HPO of Central Java in promoting the benefits of TP4D to government institutions across Central Java. This promotion occurred for almost 2 years following the establishment of the Central Java TP4D. Furthermore, the charts show that 2018 has fewer supervised projects and a lower budget than 2017. This is due to 2 factors: 1) The massive success of project execution during 2017 that reduced the burden of overdue and uncompleted projects and 2) the smaller number of new projects in 2018.

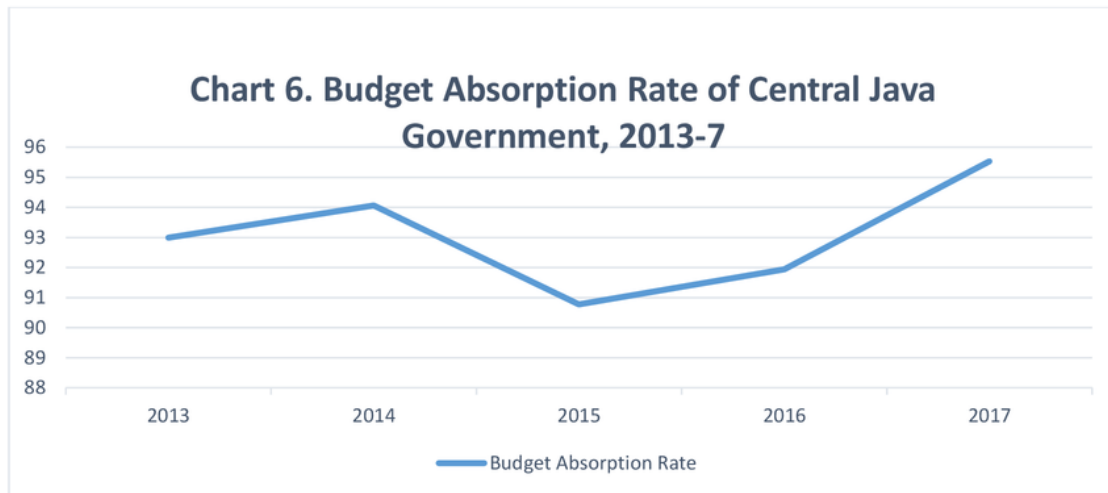
Budget absorption is determined by the proportional percentage of expenditure of a budget that has been realised in opposition to the ceiling expenditure of a budget. The realisation of the expenditure budget is determined by how much budget money is spent for a completed government project/programme from which the outcome must be tangible and immediately usable by the public. Based on our research, the Central Java government has experienced extensive improvements in its budget absorption rate. This is shown in Table 2 and Chart 6 below.

**Table 2.**

*Absorption rate of expenditure budget of the Central Java government.*

Period	Ceiling Expenditure Budget	Realisation	Absorption Rate (%)
2013	Rp 13.694.684.479.000,00	Rp 12.724.776.308.434,00	92.99
2014	Rp 16.038.948.597.000,00	Rp 15.086.065.034.422,00	94.06
2015	Rp 19.632.559.656.000,00	Rp 17.820.760.485.342,00	90.78
2016	Rp 21.155.209.221.000,00	Rp 19.354.374.825.983,00	91.94
2017	Rp 23.955.179.003.000,00	Rp 22.884.713.018.754,00	95.53

(Source: Division D of the Central Java High Prosecutor Office, August 7, 2018.)

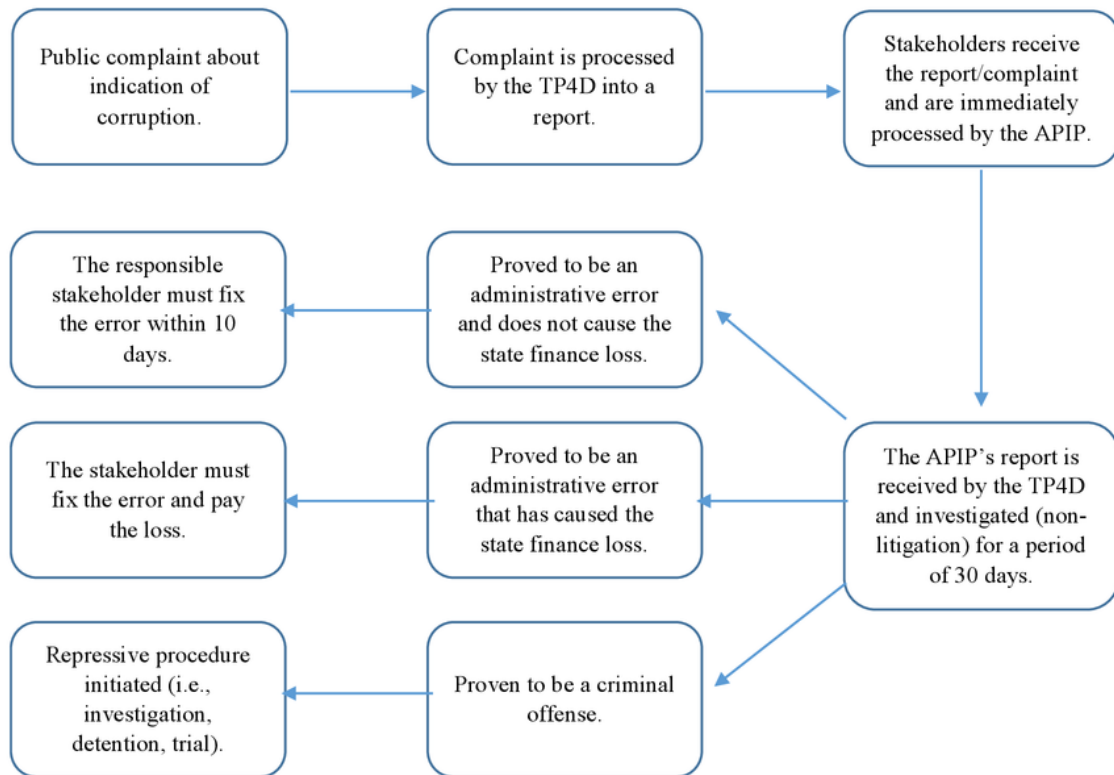


(Source: Division D of the Central Java High Prosecutor Office, August 7, 2018.)

As shown in Table 2 and Chart 6, 2017 saw the highest rate of budget absorption in the previous 5 years. In the same fashion as previous data, 2017 was the peak period for the TP4D in terms of supervising the government projects of Central Java. In 2015 and 2016, the TP4D had just been established and was in its developmental process. Given the linear fashion of the data, it is clear that the presence of TP4D has been responded to positively by government institutions in Central Java. Its supervision has greatly improved the performance of these institutions in terms of executing their projects and boosting budget absorption.

#### ***Preventing Corruption: Curbing from Within***

Although the TP4D is a vital aspect of government institutions in terms of executing and accomplishing projects, the TP4D is still essentially part of a law enforcement institution (i.e., the HPO of Central Java). However, as mentioned earlier in the study, the repressive approaches of detection and detention by anti-corruption law enforcement have imposed negative consequences on stakeholders – namely, psychological fear and worry about violating the law. Thus, an alternative method of law enforcement must be established without inducing such fear and doubt. The TP4D and APIP have established an alternative settlement mechanism that prioritises internal administrative processes over litigation and law enforcement. The mechanism is as shown in Figure 1.

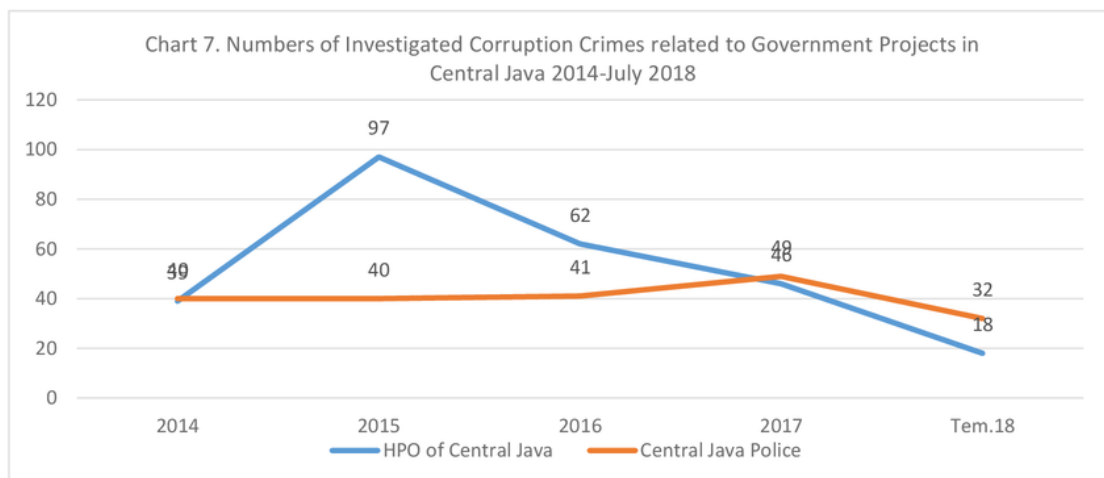


**Figure 1. Alternative legal settlement mechanism by the TP4D.**

According to the interview conducted with prosecutor Endeono Wahyudi, this alternative mechanism uses a unique legal formula that changes how corruption is perceived. Lilik asserted that this mechanism emphasised the distinction of *mens rea* (guilty intent) and *actus reus* (guilty act). As stipulated in the Corruption Act (Law No. 31 of 1999), the *mens rea* of a corruption act or any fraudulent offense is determined by one's intent to illegally 'enrich oneself and/or others.' Based on this theory, an administrative error can be distinguished from corruption and treated differently by the law. As stated by Wahyudi, this mechanism is appropriate in curbing and preventing corruption whilst keeping government officials assured that they can progress with their projects. As for the data, the number of corruption cases is exponentially decreasing since 2014, as shown in Chart 7.

(Source: Investigation Task Force of Special Criminal Offense, High Prosecutor Office of Central Java, August 7, 2018.)

Given the high rate of budget absorption of the Central Java government's expenditure budget, as shown in Chart 6, the linear relation of corruption prevention and the project's guardianship by the TP4D of Central Java increases the rate of budget absorption. This should be followed by a decreasing rate of corruption cases being processed by law enforcement. As shown in 2017, we can conclude that the TP4D has achieved virtually all of its goals and is thus effective in maximising budget absorption (aim number 3) and ensuring effective law enforcement by



prioritising prevention over indictment (aim number 5). Unfortunately, this article cannot attest to the effectiveness of the TP4D in terms of its other goals due to the limited data and scope of the research. However, these are matters in which further research can be conducted.

### Conclusion, Limitations and Implications

This article contends that the TP4D has proven to be effective in relation to 2 matters: 1) maximising budget absorption and 2) creating an effective mechanism to curb corruption through preventive approaches. This is shown by the data presented on the budget absorption rate of Central Java government's expenditure budget and the amount of indictments for corruption in 2017, a period in which the TP4D was heavily involved in supervising budgets and assisting with the development of projects. Moreover, the findings suggest that such positive achievements are caused by 2 factors: 1) the role and function of the TP4 that resemble those of legal advisors and

crime inspectorates and 2) the new exhaustive legal settlement mechanism, which helps the TP4 to resolve the intricate problems within corruption and within Indonesia's anti-corruption law. These dual roles are essential to the achievement of 2 seemingly contradictive goals. Therefore, the research shows that the TP4D of Central Java is capable of curbing and preventing corruption whilst improving budget absorption.

However, this research is limited to the verification of just 2 goals out of 5 and thus, cannot prove whether the TP4D is effective in: 1) removing the fear and doubt of government officials when progressing with their projects; 2) improving the investment climate; and 3) reforming the bureaucracy. Thus, the findings only indicate crude positive progress that is shown in numbers rather than in systematical behavioural change within the Indonesian bureaucracy.

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