



UNIVERSITAS INDONESIA

TACKLING CORRUPTION IN INDONESIAN EDUCATION

MAKALAH NON SKRIPSI

GILANG SWARA MADANI

1706066226

FAKULTAS EKONOMI DAN BISNIS UNIVERSITAS INDONESIA

PROGRAM STUDI KELAS KHUSUS INTERNASIONAL

MANAJEMEN

THE UNIVERSITY of MELBOURNE

Management

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NAMA : Gilang Swara Madani

NPM : 1706066226

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Nama : Gilang Swara Madani

NPM : 1706066226

Program Studi : Sarjana S1

Departemen : Manajemen

Fakultas : Ekonomi dan Bisnis

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Karya ilmiah ini diajukan oleh:

Nama : Gilang Swara Madani

NPM : 1706066226

Program Studi : Manajemen

Fakultas : Ekonomi dan Bisnis

Jenis Karya : Makalah Non Skripsi

Nama Mata Kuliah : Corruption in Asia (ASIA30004)

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Kepala Program KKI FEBUI,



Isfandiary Djafaar, MSoc., Sc.

NIP.: 19650818 199303 1 003

Ditetapkan di : Depok

Tanggal : 19 Juli 2021

ABSTRAK

Nama : Khozy Rafli Hasani

NPM: 1706019085 (Universitas Indonesia)

NPM: 1096446 (University of Melbourne) : KKI Universitas Indonesia

Nama : Gilang Swara Madani

NPM : 1706066226

NPM : 1096672

Program studi : KKI Universitas Indonesia, Faculty of Economics and Business

Judul: : Tackling Corruption in Indonesian Education

ABSTRAK

Korupsi di Indonesia bersifat kultural dan struktural dan selalu memusingkan para pemangku kepentingan di Indonesia. Korupsipun juga hadir di sektor pendidikan. Tesis ini mengeksplorasi penyebab korupsi di sektor pendidikan Indonesia dan mencoba menyimpulkan intervensi apa yang harus dilakukan untuk menurunkan tingkat korupsi dengan mengacu pada studi korupsi sebelumnya di seluruh dunia.

Berdasarkan analisis yang dilakukan dalam tesis ini, disarankan bahwa diperlukan kemauan politik yang memadai untuk mengurangi korupsi di sektor pendidikan Indonesia.

Key words: Corruption, Cultural, Structural, Political Will

ABSTRACT

Name : Gilang Swara Madani

NPM : 1706066226 (Universiats Indonesia)

NPM : 1096446 (University of Melbourne)

Study Program : KKI Universitas Indonesia, Faculty of Economics and Business

Title : Tackling Corruption in Indonesian Education

ABSTRACT

Corruption in Indonesia is cultural and structural in nature and a constant headache for Indonesian stakeholders. Corruption is nevertheless also present in the Education sector, with a variety of actors taking part. This thesis explores the causes of corruption in the Indonesian education sector and tries to conclude what intervention should be made to decrease the level of corruption by drawing from previous studies of corruption worldwide.

Based on the analysis conducted in this thesis, it is suggested that sufficient political will is necessary to decrease corruption in the Indonesian education sector.

Key words: Corruption, Cultural, Structural, Political Will

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1. INTRODUCTION

This problem-focused essay aims to advise the Indonesian ministry of education on solutions to reduce systemic corruption in the Indonesian primary and secondary education system (i.e., primary, middle, high school). This essay would first identify the problem, analyse its causes, and finally present the respective solution.

2. THE PROBLEM

An Overview of Corruption in Indonesia:

Indonesia as a whole has higher than the worldwide median levels of corruption. Indonesia has a Corruption Perception Index score of 37 out of 100 and a Control of Corruption Index rank of 37.98 out of 100 countries. This is lower than the world median and Indonesia's target set in 2014 (Kaufmann, 2019; Transparency International, 2020; Haryadi, 2014). The pattern of corruption in Indonesia after the fall of Soeharto is suggested to be "fragmented clientelism" where both elites and civil societies are weak. The type of corruption in this pattern is suggested to be systemic, as it is associated with the utilisation of corruption as a tool to compete over the fragmented power throughout society (Widoyoko, 2010).

Corruption in The Indonesian Education System

This level and pattern of corruption apply to Indonesia's education sector. The corruption in this sector is characterised as petty, pervasive, and political (Widoyoko, 2010). Several examples of the corruption in this sector are the selling of answer keys to the Indonesian national examination, misuse of 40-50% of school funds, bribery, abuse of power by principals and teachers, and collection of illegal fees as suggested by Widoyoko and documented in the "Sop Buntut" and "Educating Indonesia" videos.

Why eradicating corruption in education is important:

Corruption eradication in this sector should be prioritised. This is because it directly affects a large proportion of the population, negatively affect the human capital base, contributes to lower quality and equity of education, and cultivates the nation's acceptance of corruption from an early age, **making it harder to eradicate corruption in other sectors** (Poison, 2010; Fisman and Miguel, 2007; Arbache et al., 2010; Widoyoko, 2010).

3. TYPES AND CAUSES OF CORRUPTION IN INDONESIAN EDUCATION

This section would analyse the type of corruption conducted by actors in each layer of the structure of the education sector in Indonesia, namely central bureaucrats and politicians, regional bureaucrats, principals, and teachers, along with the respective causes. The common cause found throughout the layers is the low level of transparency and punishment over corruption. Specifically for the bottom two layers are that corruption is culturally accepted in the education sector.

High-level public officials in the ministry of education engage in corruption by manipulating nationwide tenders (Widoyoko, 2010). This is mainly done to buy political support or self-enrichment, as it is common to share the spoils with politicians. For central bureaucrats, buying political support is essential to ensure funding to the education sector and that their corrupt practices are not challenged in parliament. Whereas for politicians, it is mainly to service their constituents.

Regional bureaucrats have become more active in corruption in education due to decentralisation (Widoyoko, 2010). Their scope of corruption revolves around their power to manage the regional education budget and tenders and their ability to appoint principals. Specifically, regional bureaucrats would illegally tender special education budget and principal positions to the highest bidder. Additionally, they could forcibly manage the schools' books by

threatening the principal's position, hence undoing the corruption eradication efforts of direct transfer funds (i.e., BOS).

If we exclude cheating or collusion by students, principals and teachers are the groups of actors at the bottom of the hierarchy (Widoyoko, 2010). Principals engage in corruption by paying the illegal fee demanded by local bureaucrats during the appointment process and then recuperating the fee by extorting illegal fees from students and their parents or by embezzling school funds. Teachers also collect illegal payments from students and their parents, but on a smaller scale due to their lesser influence than principals. Unlike the principals, the primary motivator for teachers to engage in corruption is merely to supplement their miserable income. This mode of corruption is especially hard to eradicate in Indonesia, as collecting illegal fees does not legally classify as corruption.

The main cause of corruption in the bottom two layers is predominantly the failure to transfer school ownership to local communities. It is further ingrained by cultural acceptance towards corruption in education, especially when teachers use it to supplement their inadequate income (Widoyoko, 2010). Power over educational policies was initially planned to be transferred to local communities following decentralisation. However, this failed as there is minimal corruption mitigation framework coupled with ill-equipped local communities, resulting in the increased scope of corruption for local bureaucrats and allowed principals to absolute power over school budget.

4. CURRENT ATTEMPTS ON SOLVING THE PROBLEM

The performance of past corruption eradication strategies has not been effective This is indicated by the minimal change in various corruption index rankings. Although abolishing the

national exam has eliminated the opportunities for corruption in the “Sop Buntu” video, corruption in education persists.

There are not many past corruption eradication strategies implemented in the Indonesian education sector, as corruption in the education sector is often not considered corruption by the public. The eradication strategies which have been implemented, however, have predominantly emphasised the technicalities of the bureaucracy at an individual level (e.g., the flow of funds, operating procedures), but have paid little attention to the root cause of the problem, which is structural, cultural, and political in nature (Widoyoko, 2010). This is consistent with the idea that future corruption eradication strategies consider a group or organisational perspective in understanding corruption, as corruption is a tool to solve everyday problems ordinary citizens face due to social construct, which, in turn, breeds normality of engaging in corruption. This encourages further corruption, on top of an individual perspective such as the principal-agent theory (Marquette & Peiffer, 2015).

5. POTENTIAL SOLUTIONS

By reflecting on lessons learned from past corruption eradication, this section offers to solve the two themes of problems faced by the Indonesian education sector by predominantly leveraging the **structural, cultural, and neoliberal perspectives** on corruption. This essay proposes two buckets of solutions to address the two aforementioned overarching problems in the sector, namely 1) by **redistribution of power further down the structure** and 2) by implementing **cultural change** to eradicate cultural acceptance towards corruption.

a. Redistribution of power

The failure to transfer ownership of schools should be solved by redistributing this power to where it was initially meant to be, the local community. This concept revolves around shedding

light on corrupt practices commonly found on the bottom half of the structure by increasing the transparency in the education system and shifting power down the structure.

Shedding light on illegal fees

There are two main ways to realise increased transparency in this context. The first is to continue and strengthen anti-corruption audits and e-governance initiatives, as it is suggested to be one of the most effective in controlling corruption thus far (Borges et al., 2017). The second would be to empower students and parents by implementing a random “report card” system, which is aimed to discover whether or not illegal fees have been collected in the school (Karim, 2004). The result of the report card must be communicated straight to the parents and students and explicitly state which fees have been collected illegally so that they could be more equipped in pressuring teachers and principals to abstain from corruption.

Shifting power down the structure

Redistribution of power in the education system could be realised by rejigging the way funds are allocated, increasing computerisation in school decision-making, and centralising the appointment of principals.

The budgeting process in Indonesia is known to be suboptimal and rigid. This is especially true in the education sector, as a certain proportion of the national budget must be allocated to education and religion at all times (Kementrian Keuangan, 2021). This budgeting process must be changed to reduce the scope of corruption. One way to change this would be by breaking away from the given 20% budget allocation and implementing a transparent and straightforward formula to determine the allocation of funds. In addition to that, delivering the

funds through minimal intermediaries should still be pursued, as it has proved to decrease the proportion of discretionary funding in Zambian schools (Des et al., 2004).

Implementing computerised management is also suggested to increase transparency and reduce the scope of corruption, as actors are responsible for less and that everything is recorded. An example of this would be the computerised examination administration in Lebanon, which governs the selection of tests and staff running the examination (Mneimneh, 2008). This decreases the power that teachers have in manipulating student's grades.

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b. Implementing change in cultural acceptance towards corruption

Tackling the structural issues found throughout the education sector must be reinforced by changing the attitude towards corruption. This is because several initiatives in the redistribution of power require a change in attitude towards corruption for it to be feasible. Changing culture would not be quick, but the effect would be worthwhile, as countries with already a better culture towards corruption tend not to regress as indicated by their corruption indexes (e.g., Singapore) (Kaufmann, 2019; Transparency International, 2020).

Intensifying education about corruption

This cultural transformation should be initiated by changing the education, media, and traditional institutions of society (Hira & Shiao, 2016). This education initiative should emphasise understanding what corruption is, why it is prevalent, how it is bad for society, and how we should solve it, as it is suggested that not many Indonesians fully understand corruption, especially in education (Widoyoko, 2010).

Transforming the social status of educators

The second initiative would be to transform the social status of educators. This should be done by installing a sense of mission amongst educators (Burns, 2004). However, this initiative should be supported by increasing the remuneration of educators, as the adequate wage is suggested to be a prerequisite in corruption eradication strategies involving civil service (Borges et al., 2017). This transformation of the social status of educators will ensure that this recommended strategy of eradicating corruption not only changes how corruption is conducted but eradicate it completely, as abstaining from corruption would be more voluntary (Harmon, 2003).

Increase the perceived risk and punishment of corruption

The third initiative should be to promote better behaviour through increasing the perceived risk and punishment of corruption in the education sector. This is missing in the education sector as the typical corrupt practices found in education (i.e., collecting illegal funds) are not legally classified as corruption, hence cannot be prosecuted or audited. This, in turn, increases the propensity to engage in corruption as the perceived risk and potential punishment are close to non-existent (Rose-Ackermann, 1997). Increasing the perceived risk and potential punishment of engaging in corruption in education could be achieved by implementing and strategically

enforcing the relevant laws. However, this relies on whether or not there is an adequate political will to pass this new law (Huther & Shah, 2000).

Leadership underpins success

This behavioural change, however, must start at the top. This is in the form of having leadership that upholds and champions the shift in culture throughout the system, as having leaders opposing the change would only sabotage the effort. Another element to this is to punish wrongdoers at the top and to set them as examples (Hira & Shiao, 2016).

6. CONCLUSION

This essay suggests that eradicating petty, pervasive, and political corruption in the Indonesian education system should be prioritised as it correlates highly with developmental outcomes. In order to achieve this, the corruption eradication strategy should attack all the causes of corruption simultaneously, which are suggested to be predominantly structural and cultural. The solution to the structural problems is to redistribute power further down the hierarchy. In contrast, the solutions for the cultural problems are by gradually transforming the culture through education, transforming the status of civil servants in education, and increasing risk and punishment of corruption. This set of solution proposed, however, will only be effective when implemented as one, not in parts, and also requires tremendous political will from central bureaucrats in the ministry of education and the institutions above them.


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