

EDUCATING  
**ASEAN**  
SOCIETIES  
FOR INTEGRITY

The Role of Educators & Students in Building Integrity

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

Editor

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**tiri** MAKING  
INTEGRITY  
WORK

  
UNIVERSITAS  
MERCU BUANA

 IEN Integrity  
Education  
Network

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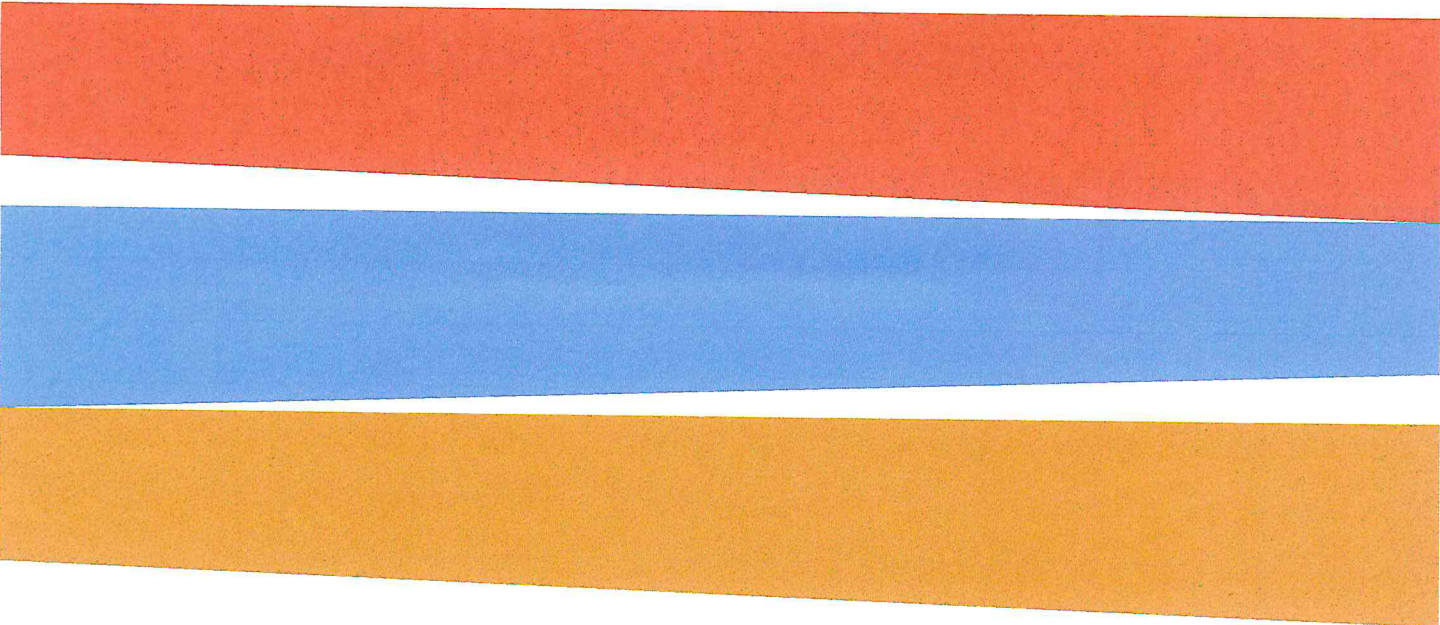
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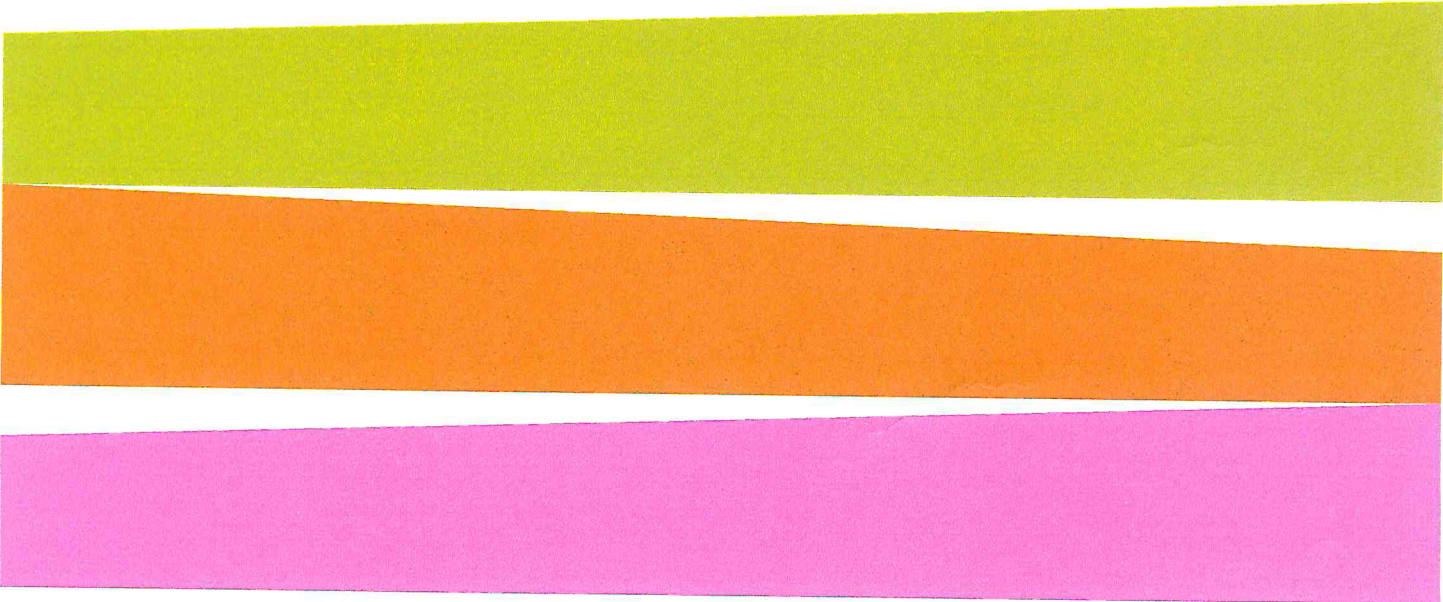
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**The Role of Educators  
& Students in Building  
INTEGRITY**



## 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 Puskombis

Dr. Heri Budianto, M.Si.

April 2003

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**LEMBAR  
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**LEMBAR  
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a	Kelengkapan unsur buku (20%)	15		3
b	Ruang Lingkup dan Kedalaman Pembahasan (30%)	10		3
c	Kecukupan dan kemutakhiran data/informasi dan metodologi (30%)	10		3
d	Kelengkapan unsur dan kualitas terbitan/buku (20%)	10		2
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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

*Medan  
sama dgn daftar  
In duit abri  
daftar isi!*

## 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 this 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*

*words ! not phrases*

## 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 further 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.

<sup>8</sup> Padang Ekspres News Paper, Friday, March, 9, 2012, 15-16

<sup>9</sup> Karlina Helmanita dan Sukron Kamil, 2011, Pendidikan Antikorupsi di Perguruan Tinggi, Jakarta : CSRC UIN Syarif Hidayatullah, 29

<sup>10</sup> 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

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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

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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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