Seoul, Korea Sept. 2-4, 2015

# 2015 AGPA Annual Conference Manual

"Shifting the Governance Paradigms to Enhance Trust in Government"







### **Contents**

- 1. Introduction of Keynote Speakers
- 2. Introduction of Rapporteurs
- 3. General Program 1
- 4. General Program 2
- 5. Detailed Program
- 6. List of Participants
- 7. Notice
- 8. Map of Conference Venue

## **Introduction of Keynote Speakers**

### 1 . Prof. Koichiro Agata



Professor Dr. Koichiro Agata is professor for Public Administration at the Faculty of Political Science and Economics of Waseda University in Tokyo (1997-), Past President of Japanese Society for Public Administration (2012-14) and Council of Administration Member in International Institute of Administrative Science (2013-). He received a

bachelor's (1979) and a master's degree of Political Science (1982) in Waseda. He was awarded Dr.rer.publ. at the Hochschule für Verwaltungswissenschaften Speyer (1992) in Germany. Agata has fulfilled some advisory functions in Japanese Ministries: in Ministry of Foreign Affairs for Evaluation Committee of Incorporated Administrative Agencies (2003-13), in Ministry of Internal Affairs and Communications for Commission on Policy Evaluation and Evaluation of Incorporated Administrative Agencies (2004-14), in Ministry of Education, Culture, Sport, Science and Technology as Policy Advisor (2008-12), in Cabinet Office for Statistics Committee (2009-13), in Policy Evaluation Council of the National Personnel Agency (2009-). He was previously the Humboldt Ambassador Scientist in Japan (2008-13) and is now a member of the Foundation Council of Japanese-German Centre Berlin (2008-17). Agata was honoured by Merit Cross on Ribbon of the Federal Republic of Germany (2006) as well as Werner Heisenberg-Medaille of the Alexander von Humboldt Foundation (2014).

### 2. Prof. Yijia Jing



Dr. Yijia Jing is a professor in Public Administration at the School of International Relations and Public Affairs and the Associate Director of Foreign Affairs of Fudan University. He got this BA and MA in economics from Peking University, MA in sociology from University of Maryland, and Ph.D. in public policy from the Ohio State

University. His research areas cover privatization, contracting, governance, collaborative governance, service delivery, government-nonprofit relation, public management theories, and comparative public administration. He is particularly interested in the formation, performance, and consequences of collaborative governance in transitional countries and is the director of the Center for Collaborative Governance Research at Fudan University. His recent edited book, The Road to Collaborative Governance in China, is being published by Palgrave MacMillan.

Dr. Jing has published widely on peer-reviewed journals. He co-edited a special issue on Chinese Public Administration Review in 2008, a special issue on International Public Management Journal in 2012, which was translated into Chinese and published again on IPMJ, and a special issue on Public Administration and Development..

Dr. Jing assumes multiple editorial jobs. He is an associate editor of Public Administration Review and a co-editor of International Public Management Journal. He is also the founding co-editor of a Palgrave book series---Governing China in the 21 Century. Review (in Chinese), and China Third Sector Research (in Chinese).

### 3. Prof. Zhibin Zhang



Dr. Zhibin Zhang is an Assistant Professor and Deputy Director of Nanyang Centre for Public Administration, Nanyang Technological University. Heobtained his Bachelor and Master Degrees from Remin University of China and PhD Degree from the George Washington University prior tohe joined NTU in 2004. His research areas include public governance, non-profit – government

relations, Chinese and Singapore public administration and public policy. Dr. Zhang's publications appeared in many international leading journals such as Public Administration, Voluntas, Australian Journal of Public Administration, International Review of Public Administration, etc.

## **Introduction of Rapporteurs**

### General Rapporteur

### Prof. Hyung Jun Park



Hyung Jun Park is associate professor of department of public administration and graduate school of governance at Sungkunkwan University in Korea. He is director of 'Governance and Policy Evaluation Institution. He is also affiliated professor of Local governance research Lab in Florida State University.

He is chairperson of General Affairs Committee and was chair of Global Relation Committee in the Korea Association for Policy Studies(KAPS) and former 2011 KAPS international conference program chair. He is a programme and scientific advisory committee (PRAC) member in IIAS. He also was 2012 and 2013 AGPA annual conference rapporteurs. He was also co-program chair and council member of International Chapter in American Society for Public Administration (ASPA) in 2011-12.

Academically, he is a Mosher Award winner, best academic PAR paper award from ASPA in 2009. He is also editorial board member of State and Local Government Review. His research on policy network, policy analysis, collaborative governance, economic development, regulatory policies other topics has been published in Urban Affairs Review, Public Administration Review, Public Management Review, American Review of Public Administration, International Review of Public Administration, and many Korean academic journals. He received his Ph. D in Askew school of public administration and public policy from the Florida State University in 2005.

### **Assistant Rapporteurs:**

### 1. Prof. Yoshiko Kuni

Yoshiko Kuni is a professor of Political Science at Tokyo Gakugei University. She has taught at the university since 1999. She teaches courses on Political Science, International Relations, European Politics and so on. Her research has focused on the impact of European Integration on the governance of the member state, with special attention to the French intergovernmental relations.

Her publications include Reform of local system in France under the Mitterrand's Administration(2004), EU and France(co-authored,2012), Invitation to the European Studies(co-authored,2014) and some articles and essays.

She has served on the boards of directors of the Japanese Society for Public Administration in charge of international exchange since 2010. She received her doctorate in political science from Waseda University, a master of education from Tokyo Gakugei University and a bachelor of French language and studies from Sophia University.

### 2. Prof. Mingfeng Kuo



Ming-feng Kuo, Ph.D., is a Professor at the School of Public Administration, Sichuan University, China. His research interests include local governance, political behavior, comparative politics, public management, quantitative methodology. His research has appeared in SSCI, CSSCI, and TSSCI leading journals such as

Administration & Society, Taiwanese Journal of Political Science, Fudan Public Administration Review, Journal of Social Sciences and Philosophy, Chinese Political Science Review, Journal of Electoral Studies, Journal of Civil Service, Wenti Yu Yanjiu, etc. He received the Best Journal Article Award of the Taiwan Association for School and Public Administration and Affairs (TASPAA) in 2015. He also received the Best Doctoral Dissertation Award of the Taiwanese Political Science Association (TPSA) in 2011. Now he also serves as a reviewer for many prominent journals in political science and public administration field.

### 3. Prof. KN Bhatt



Prof. KN Bhatt got his Ph.D. from Department of Economics, Allahabad University, Allahabad Masters in Economics. Hisspecialization is in Ecological Economics, Natural Resource Management, Environment and Development, Disaster Management, Primary Education, Literacy, Human Development, Child Labour, Panchayati

Raj, Decentralisation, Research MethodsPRA/RRA, Consumer Protection, Agricultural Development, Gender Issues. He has conducted 21 Research Projects Authored/Co-Authored/Monitored/Advised Sponsored by International, National and State Level Organisations like World Bank, International Labour Organization, United Nations Development Programme (UNDP), and other International Institutes. He has published 4 Books Published and 3 Dozen Research Papers Published in Reputed Journals/ Edited Volumes. He has been teaching Environment and Natural Resource Management to MBA (Rural Development) Students for 9 Years. He is Member/Office Bearer of Several Academic Bodies/Institutions in India.

## General Programme 1

DATE	TIME	ACTIVITIES		VENUE (Grand Hilton Seoul)	
Sept. 2 (Wednesday)	09:00-18:00	Registration		Grandballroom Lobby	
	12:00-13:30	Lunch		Triangle Foyer	
	14:30-17:30	AGPA Steeri Meeting	ng Committee	Swan	
	18:00-19:30	Welcome Recep	otion	Grandballroom A	
	08:50-09:00	Group Photo		Grandballroom B	
	09:00-10:00	Opening Ceremony		Grandballroom B	
	10:00-10:15	Tea Break		Grandballroom Lobby	
	10:15-11:45	Plenary Speeches		Grandballroom B	
	12:00-13:30	Lunch		Triangle Foyer	
	13:30-16:00	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Subtheme 1	Grandballroom A	
Sept. 3 (Thursday)		Parallel Sessions I	Subtheme 2	Grandballroom C	
			Subtheme 3	Swan	
		Special Session for KIPA		White heron	
	16:00-16:30	Tea Break		Grandballroom Lobby	
	16:30-19:00		Subtheme 1	Grandballroom A	
		Parallel Sessions II	Subtheme 2	Grandballroom C	
			Subtheme 3	Swan	
		Special Session I for IIAS-AGPA Study Groups		White heron	

10:30-10:45	Shimba 3.Chunting Wang Tea Break	Basu 3.Eunmi Lee 4.Zaozao Zhao	Ugaddan 3.Qi Jiang			
10:45-11:45	Report of the Rapporteurs Chair: Dr. Joong Hoon Park, Senior Research Fellow of Dept. of Evaluation Research, KIPA  1. Prof. Yoshiko Kuni 2. Prof. Mingfeng Kuo 3. Prof. KN Bhatt					
11:45-12:00	4. Prof. Hyung Jun Park  Closing Ceremony  Chair: Prof. Koichiro Agata  1. Closing remarks, Prof. Dr. Jiang Wu, AGPA President  2. Certificate Awarding Ceremony					
13:00-	Excursion					

### **Detailed Program**

### Wednesday, 2 September

09:00-18:00 Registration

12:00-13:30 Lunch

14:30-17:30 AGPA Steering Committee Meeting

18:00-19:30 Welcome Reception

Chair: Dr. Se Hyun Cho, research fellow of KIPA

### Thursday, 3 September

08:50-09:00 Group Photo

09:00-10:00 Opening Ceremony

Chair: Dr. Yoo Sung Choi, Director of Dept. of Regulatory Research, KIPA

Opening remarks:

Dr. Eun Jae Lee, President of KIPA

Geert Bouckaert, President of IIAS (video)

Rolet Loretan, Director General of IIAS

10:00-10:15 Tea Break

10:15-11:45 Keynote Speeches

Chair: Prof. Pan Suk Kim, Dean and Professor of the College of Government and Business, Yonsei University in South Korea

 Koichiro Agata, Professor for Public Administration at the Faculty of Political Science and Economics of Waseda University in Tokyo, Past President of Japanese Society for Public Administration

Title: Public Management, Public Policy, and Public Policy Research

 Yijia Jing, Professor in Public Administration at the School of International Relations and Public Affairs and the Associate Director of Foreign Affairs of Fudan University

Title: Multilevel Governance: A Rising Model for Asia?

 Zhibin Zhang, Assistant Professor and Deputy Director of Nanyang Centre for Public Administration, Nanyang Technological University

Title: Policy Learning and Good Governance: the Role of the "NTU Mayors' Class" in the Policy Transfer from Singapore to China

12:00-13:00 Lunch

### 13:30-16:00 Parallel Sessions I

# Subtheme 1 The Development of Governance in Asian Countries (4 Speakers, 25 mins/person)

**Chair:** Hyung Jun Park, Associate Professor of Department of Public Administration and Graduate School of Governance, Sungkunkwan University in Korea.

# 1. Effectivness in the Implementation of the BPO Provisions of 9262 in Metro Manila

Marlene Monterona, Professor, Eulogio "Amang" Rodriguez Institute of Science and Technology (EARIST), Manila

### Q&A

# 2. Interagency Coordination in the Administration of China (Shanghai) Pilot Free Trade Zone

Feiyi Wang (Ph.D in Political Science), Assistant Professor, Department of Customs Administration, Shanghai Customs College **O&A** 

# 3. Collaborative Governance: A Case Study of Hangzhou in China

Youqiang Wang, Professor, School of Public Policy and Management, Tsinghua University, China

Rui Li, Ph.D Candidate, School of Public Policy and Management, Tsinghua University, China

### Q&A

# 4. Comparative Analysis on the Formation of a Welfare State in South Korea and Japan

Yeong-Jik Kim, Sungkyunkwan University, Korea Rosa Min-Hyo Cho, Professor, Sungkyunkwan University, Korea

### Q&A

### 13:30-16:00 Parallel Sessions I

Subtheme 2 Setting up New Relationship between National and

### **Local Government**

### (4 Speakers, 25 mins/person)

**Chair:** Zhibin Zhang, Assistant Professor and Deputy Director of Nanyang Centre for Public Administration, Nanyang Technological University

# 1. Residents Protesting in the Local Communities: An Exploration of the Fundamental Governance and Public Trust in China

Mingfeng Kuo, Distinguished Research Fellow, School of Public Administration, Sichuan University, China

Dingming Wang, Professor at the Department of Political Science, National Taiwan University, Taiwan

Xiaoping Jiang, Dean and Professor, School of Public Administration, Sichuan University, China

Taiping Ding, master student, School of Public Administration, Sichuan University, China

#### Q&A

2. Multiple interactive" Assessment mode: a booster for local governments to enhance the quality of public services - Based on research findings from the third-party organizations

Mingxue Ding, Horizon Research Consultancy Group, Beijing, China

#### Q&A

3. The Rise of Local Leaders and Improvement Quality of Public Services in Indonesia after Decentralisation Policy 1998-2014

Eddi Wibowo, Natioanal Institute of Public Administration, Republic Indonesia

### Q&A

4. Development Based on Political Agenda and Its Impact on the Local Community

Assoc. Prof. Dr Sharifah Mariam Alhabshi, International Institute of Public Policy and Management (INPUMA), University of Malaya Assoc. Prof Dr Khadijah Md Khalid, International Institute of Public Policy and Management (INPUMA), University of Malaya Q&A

### 13:30-16:00 Parallel Sessions I

Subtheme 3 Enhancing National Integrity and Public Service Quality

### (4 Speakers, 25 mins/person)

Chair: Yijia Jing, Professor, School of International Relations and Public Affairs and the Associate Director of Foreign Affairs of Fudan University

1. Research on the Protection of the Farmers' Environmental Right and Rural Grassroots Government Environmental Credibility —A case of the water sourcing buffer zone of Xiqin Water Plant in Nanping City, Fujian Province

Lin Limei, Doctoral student, Fujian Agriculture and Forestry University

### Q&A

2. Open Operation of Government Power in the National Integrity System - An Analysis based on the Perspective of Governance Theory

Zaijian Qian, Professor, Nanjing Normal University Xiaoxia Gao, Nanjing Normal University

### Q&A

3. Understanding Corruption from the Perspectives of MPSM Students of Capitol University

Edwin Chiong Du, Chairman, Social Sciences Department and Graduate School Professor of Capitol University, Cagayan de Oro City, Philippines

### Q&A

4. Human Resource Development for Managing "Giants" through Job Rotation: An Empirical Assessment of the Tokyo Metropolitan Government

Qi Jiang, Lecturer, Shandong University of Finance and Economics Hongfeng Zhang, Dean, Shandong University of Finance and Economics

### Q&A

#### 13:30-16:00 KIPA Session

Chair: Dr. Jibum, CHUNG, Director of Dept. of Public Safety & Social Cohesion, KIPA

- Dr. Hyeon-Suk LYU(Research Fellow of Dept. of Public Safety & Social Cohesion, KIPA)
- Dr. Joon-Young HUR (Coordinator, Research Unit for Social Cohesion, KIPA), Dr. Sung-Geun LIM (Research Fellow of Research Unit for Government 3.0, KIPA), Dr. Kun YOON (Visiting Research Fellow of Center for Social Survey, KIPA)
- 3. Dr. Wansoo IM (President of VERTICES, LLC)

#### 16:00-16:30 Tea Break

### 16:30-19:00 Parallel Sessions II

# Subtheme 1 The Development of Governance in Asian Countries (5 Speakers, 25 mins/person)

Chair: Marlene Monterona, Professor, Eulogio "Amang" Rodriguez Institute of Science and Technology (EARIST), Manila

# 1. Municipal Relationship Modifications by the Great Heisei Consolidation in Japan

Yu Noda, Professor, Faculty of Regional Policy, Aichi University  $\mathbf{Q} \& \mathbf{A}$ 

2. Reconsider the Deadlock in China's Electricity System Reform after 2002: From the Perspective of Policy Process Shiwei Fan, Assistant Professor of School of Government, Central University of Finance and Economics, China

Jing Zhao, Post-doctoral fellow of School of Public Policy and Management, Tsinghua University, China

Ling Chen, Associate Professor of School of Public Policy and Management, Tsinghua University, China

### Q&A

# 3. A Meta Analysis of the Violence Committed Against Women and Children

Lourdes P. Jusay, College of Public Administration and Criminology Eulogio "AMANG" Rodriguez Institute of Science and Technology **Q&A** 

# 4. Does Government's Governance Really Matter? - An Explanation on the Dilemma of Private Sector of Healthcare Delivery in China

Yi Fang, Ph.D. Candidate, School of Public Policy and Management, Tsinghua University, China. Joint PhD student, Sciences Po., Paris, France

### Q&A

### 5. The Development of Governance in Korea

Hwang Hie Shin, Senior Research Fellow, Korea Institute of Public Administration

### Q&A

### 16:30-19:00 Parallel Sessions II

Subtheme 2 Setting up New Relationship between National and Local Government

### (4 Speakers, 25 mins/person)

Chair: Bingqiang Ren, Associate Professor, School of Public Administration at Beihang University, China

1. Intergovernmental Relations, Vertical Power Division, and Environmental Management in China: Empirical Test Based on China's Provincial Panel Data Meng Wang, Ph.D. Candidate, School of Public Administration and Policy, Renmin University of China

### Q&A

2. Gandhian Concept of Decentralized Indian Economy: Some Insights for improving Governance

Kaustubha Nand Bhatt, Associate Professor Economics, G. B. Pant Social Science Institute, University of Allahabad, Allahabad, U.P., India.

### Q&A

3. Customized Welfare Service at a Regional Level: Healthy Family Support Center in Korea

Jinju Kim, Sungkyunkwan University.

#### Q&A

4. Determinants of Farmers' Credibility in Local Government of Southern Forest Region in China after Reform of the Collective Forestry Property Right System

Lan Lan, Post-graduate in Fujian Agriculture and Forestry University

Shipeng Su, Professor, Fujian Agriculture and Forestry University

### Q&A

### 16:30-19:00 Parallel Sessions II

**Subtheme 3 Enhancing National Integrity and Public Service Quality** 

(4 Speakers, 25 mins/person)

Chair: Zaijian Qian, Professor, Nanjing Normal University

1. Study on the spillover effect and its countermeasures in the process of government trust building -Comparing data from ten countries and regions in Asia

Chuanbin Zhang, Lecturer, Department of Public Affairs Management, Civil Aviation University of China

Q&A



2. Corruption in Public Procurement in Indonesian Local Governments: How the corruption in construction sector has been endemic in the Pekanbaru

Muhammad Ichsan Kabullah, Lecturer, Public Administration Department, Faculty of Social and Political Sciences, Andalas University

### Q&A

3. What Makes Public Employee's Creativity: Focus on the Mediating Roles of Entrepreneurship among Chinese and Korean Public Sectors

Qing Miao, Associate Professor, College of Public Administration, Zhejiang University, Hangzhou, China

Sung Min Park, Associate Professor, Graduate School of Governance, Sungkyunkwan University, Seoul, Korea

Min Young Kim, M.P.A., Researcher, Sung Min Park, Associate Professor, Graduate School of Governance, Sungkyunkwan University, Seoul, Korea

### 0&A

4. Who Implements Financial Accountability: Internal Supervision vs. External Supervision

Chaoran Ren, Social and Public Administration School, East China University of Science and Technology

### Q&A

### 16:30-19:00 IIAS-AGPA Study Groups Panel 1

1. The Importance of Sequencing in Governance Reform in Developing and Post Conflict Countries

Tony Preston-Stanley, Consultant and Adviser on Governance Reform, Australia

2. The Case for and against Performance Budgeting in Developing Countries

Mary Venner, Public Finance Consultant, Sydney, Australia

3. Further Development of Australia's Performance
Management System: Emphasising "How" as well as "What"

Andrew Podger, Professor, Australian National University

# 4. Decentralization, Governing Institutions, and Economic Development in Indonesia

Wai-Hang Yee, Assistant Professor, ACI-LKYSPP, National University of Singapore

Hui Li, Assistant Professor, ACI-LKYSPP, National University of Singapore

Mulya Amri, PhD Candidate, ACI-LKYSPP, National University of Singapore

# 5. Longitudinal and horizontal analysis of the relationship between economic growth and the size of government – The case of Macau

Jianxin Chen, Assistant Professor, Department of Government and Public Administration, University of Macau

Shushi Guan, Department of Government and Public Administration, University of Macau

Yanghui Xiao, Department of Government and Public Administration, University of Macau

Zhilei Wu, Peking University School of Government

# 6. Beyond Performance Budgeting: Understanding the Perceived Value of Taxation and Spending

Alfred Ho, Associate Professor, School of Public Affairs and Administration University of Kansas

# 7. Using DEA and SFA model to estimate the efficiency of primary healthcare facilities in 9 Chinese provinces during 2006-2010

Wu Shaolong, Assistant Professor, School of Public Health, Sun Yat-sen University

Chunxiao Wang, Student & Senior Health Official, Department of Health (Guandong Province)

### Q&A

### 19:00-20:30 Gala Dinner

Chair: Dr. Wonseok SUH, Director of Headquarters for Planning & Coordination, KIPA

## Corruption in Public Procurement in Indonesian Local Governments: How the corruption in construction sector has been endemic in the Pekanbaru<sup>1</sup>

Although corruption is a recurrent topic to investigate in political science and public administration, many stakeholders at government still have difficulty to operationalize the concepts of anti-corruption strategy concretely into practical terms. Some experts believed that the difficulties in finding corruption solutions are due to many perceptions and bias among cultures. In Western countries, corruption in the bureaucracy could be defined as something that deviates from the principles of bureaucracy in Weberian model as legal-rational. However, in many non-Western countries including the Indonesia, corruption is not seen as pathology in the bureaucracy that is considered illegal, but it is a social obligation to help each other.

This paper describes how Pekanbaru City, an Indonesian local government, has been failed to curbing corruption in construction sector. The Pekanbaru is chosen based on the low number of Corruption Perception Index according to Transparency International Indonesia and public sector integrity survey by Commission of Eradication Corruption during the last eight years.

The author argues that the permissive culture in Pekanbaru allows public officers were not effective to curbing corruption, otherwise they have involved with several actors such as politicians, judicial figures, local Non Government Organizations, and private contractors to doing corruption. Massive of corruption on construction sector in the Pekanbaru has been indicated by insufficient of public officers' competency, absence of competitive tendering, and lack of accountability in bidding process. The paper also implies an increased importance for experts in thinking of the distinctiveness of corruption concept in Pekanbaru. It suggests that the experts should realize a cultural bias, thus they need to develop the acceptable anti-corruption strategies for local governments.

Key words: corruption, procurement, local government, Pekanbaru

 $<sup>^{\</sup>rm 1}$  Muhammad Ichsan Kabullah, Institute Management Research, Radboud University Nijmegen & Faculty of Social and Political Sciences, Andalas University.

#### 1. Introduction

Facts from various studies on the measurement of corruption show that construction and public work sectors are the most vulnerable sectors to corruption in (Olken, 2005; Tidey, 2012). As evidences, according to Global Coruption Report on 2009 by TI, 30 percent of the national procurement budget is lost annually to corruption (TI, 2009 Global Corruption Report 2009 (<a href="http://www.transparency.org/publications/gcr/ger\_2009">http://www.transparency.org/publications/gcr/ger\_2009</a>). This is confirmed by a study by Klinken & Berenschot (2014) that found the sector of construction and the procurement of goods and services that have long been politicized and controlled by a small group of patron in the areas including the post-reform era.

Some local governments such as Pekanbaru obtained lower scores of CPI than the other regions. The corruption in Pekanbaru seems to have worsened since 2006. According to Corruption Perception Index by Transparency International Indonesia, this area continues to be in the position of the most corrupt in the CPI survey in some years, such as 2006 (4.43) 2008 (3.55) and 2010 (3.61). If observed carefully, CPI rates obtained by Pekanbaru have declined gradually. The setback in the fight against corruption in Pekanbaru is in line with a public sector integrity survey on local governments by KPK in 2008 (7.19 or rank 20 out of 52), 2011 (6.51 or rank 26 out of 60) and 2013 (6.05 rank of 57 out of 60). This was followed by the phenomenon of the high number of corruption cases in the city of Pekanbaru in 2011-2012 with the number of the accused 19 persons with the total value of penalty by IDR Rp. 739 billion or € 48.93 million (http://monitorkorupsi.org/index.php/2014-12-23-06-28-43/data-kabkota.). What happened indicates the experts need to explore how corruption occurs in the local government of Pekanbaru.

### 2. Pattern of corruption in the construction sectors

Before discussing how corruption occurs in the construction sector in the local government of Pekanbaru, it is very helpful for the author to explain how the planning of the construction work is done. It is important to remember that the planning done by the local government for these times prioritizes to financing the construction sector that reaches 11% and continues to increase in the last five years (table 1). In 2013, construction spending which included the spending of buildings, roads, irrigation, and the network reached IDR Rp. 306,996,384,246 or 15.83% of the local expenditure (APBD) and was the highest percentage in the last five years.

Table 1
Pekanbaru City Expenditures in 2009-2014

IDR Rp.

15.83%

(000)2009 2010 2011 2012 2013 Total Local 1,145,459,5 1,191,152,50 1,443,985,98 1,504,968,35 1,938,889,12 **Expenditure** 28.078 4.407 0.389 3.348 3.575 **Expenditure** in 94,556,551.3 53,679,499.0 91,011,225.1 38,339,718. 54,731,688.2 home 170 13 29 92 95 construction 106,052,771. **Expenditure** in 109,037,63 115,833,203. 126,542,485. 215,985,159. road, water 2.526 344 532 054 354 irrigation, and network

Sources: BPK, 2009-2013 (The data shown is processed by the author)

13.89%

11.98%

14.32%

The amount of budget spending in the construction sector in the local government makes deviation opportunities which are likely to occur. Public road construction office (*Dinas Bina Marga*) and homeland construction office (*Dinas Cipta Karya*) that have often been called 'wet official' --ie, the term that describes the lot of money that could be obtained because of many projects that could be corrupted-will force each office head to give them some of his/her corruption to their superiors.

The big opportunities for corruption in the construction sector also increasingly open when the various parties involved in the construction procurement such as such as Mayor, City Parliament (*DPRD*), regional development planning office (*Bappeda*), *Dinas Bina Marga*, and *Dinas Cipta Karya*. In contrast, public involved in small portion of conroling. That situation create opportunity of corruption for local government. Several indications of manipulated can be explain as follows.

### 2.1. Intervention to the Budget Process

12.86%

construction

total expenditure

Percentages of construction spending with

In the initial planning of construction projects in Pekanbaru involves three sources. First, *Musrenbang* (development planning meeting), is the direct mechanism of program proposals submitted by community to the local government. *Musrembang* has been effective since Law No. 25 of 2004 on National Development Planning Strategy as a solution to development planning that is top down from the government that often causes problems in the field. Second, the work plan of *Dinas Bina Marga* and *Dinas Cipta Karya*. Third, a recess of DPRD. A recess of DPRD is the program aspiration by member of DPRD.

In fact, the recess of DPRD is recognized the most powerful proposals to be realized as a program of the Government than *musrenbang* and office work plan. The claims are often expressed by legislators so that the recess of DPRD becomes accommodated into local government programs, such as "the recess of DPRD which is the manifestation of people's aspirations" (Interview *Bapedda*, 3 March 2015), "DPRD member who are political officials directly elected by the people making them mandatory to fight for their constituents" (Interview Mayor, 10 April 2015), and DPRD which has the function of the budget so that they also have authority in the budget (Confidential Interview Lawyer, 6 February 2015). Various claims submitted by member of DPRD make them vocal to convey their proposal on construction projects in the government. Political promises expressed during the campaign also encourage member of DPRD to strive to incorporate the proposal into the government program.

What occurs in Pekanbaru is that the members of DPRD are involved from the beginning in the planning of construction projects, starting from the recess of DPRD until finalization of local expenditure (APBD). At the stage of DPRD recess, the members of DPRD can do corruption by marking up by the budget of the proposed construction projects and the selection of the project location. In addition, the mastery of information obtained by DPRD on the proposed plan of activity can lead to crime by setting up a contractor or construction company from the beginning that has the specification in accordance with project requirements. In the step of finalization of APBD plan, members of DPRD are usually dominated by changes in the volume for construction projects. Changes in the volume of this construction project are actually evil plan to break down construction projects. Based on Presidential Decree No. 54 of 2010, for any construction project whose value is below IDR 200 million, the procurement can be done directly by the related office, which means the absence of such a bid competition. Contracting of this project is secured by every member of DPRD since their control to win these projects is very big which called 'ordered project'/ 'titipan proyek.'

The high of interest for members of DPRD to corruption in construction project is not surprise. More than 60% of members of DPRD have background as local contractors so that they have their own construction company or a personal connection to a particular construction company. Political pressure played in DPRD makes executive accommodate than fight for fear of losing political support if against the will of members of DPRD.

Lack of transparency and public control in most of the planning process makes corruption able to run on a massive scale. Budgeting processes of construction projects which are not accountable in the Pekanbaru can influence the implementation of construction projects. Therefore, the following section will describe the process of the implementation of construction projects going on in the Pekanbaru City.

### 2.2. Splitting Project into Several Projects

Construction work implementation in the Government is based on Presidential Decree No 54 of 2010 and four revised rules (Presidential Decree 35/2011, Presidential Decree 70/2012, Presidential Decree 172/2014, and Presidential Decree 54/2015). Those regulations have become a basic guide for governments and

contractors in the execution of construction work. Based on the historical rule in Indonesia, Presidential Decree No 54 of 2010 is a fundamental improvement to the opportunities leakage caused by the weakness of the old rules of the Presidential Decree 80/2003 which has undergone seven revisions (http://bisniskeuangan.kompas.com/read/2010/01/22/19222623/Aturan.Pengadaan.Barang.Sudah.Delapan.Kali.Diubah). Broadly speaking, in the Presidential Decree No 54 of 2010, construction work is divided to two main types, that is, tendering and contracting.

Table 2
The Number of Projects and Budgets of Tender, Contracting and Direct Procurement in *Dinas Bina Marga and Dinas Cipta Karya* from 2010-2014

IDR Rp. (,000)

	1DK Kp. (,000)								
	2010	2011	2012	2013	2014				
Tendering									
Dinas			•						
Bina					(85)				
Marga					187,681,809				
Dinas									
Cipta	(167)	(118)	(109)	(120)	(54)				
Karya	152,720,443	137,051,436	112,209,813,916	146,358,792	149,254,867				
Contracting									
Dinas									
Bina					(41)				
Marga					4,341,533				
Dinas									
Cipta		(225)	(209)		(1,632)				
Karya	n/a	17,783,816.127	17,776,599.667	n/a	192,947,042				

Source: RUP *Dinas Pekerjaan Umum*, 2013; RUP *Dinas Bina Marga 2014*, 2014; RUP *Dinas Cipta Karya*, 2014 (The data shown is processed by the author)

Some things that need to be observed from the table 2 is: First, it can be seen from the budget nominal, tender method is the biggest than contracting. This is reasonable because the value of construction projects auctioned based on Presidential Decree No 54 of 2010 must be above IDR 200 million.

Secondly, although the number of the tendering budgets sits in the highest priority, contracting has the highest number of activities. The trend number of contracting projects increases steadily from year to year. For 2014, the breakdown of figures allegedly by one of the NGOs in the city of Pekanbaru reached 1,700 projects only for *Dinas Cipta Karya* (http://pekanbaru.tribunnews.com/2015/02/19/wali-kota-firdaus-dituding-pecah-kegiatan-jadi-1700-proyek).

The phenomenon of splitting one project to several construction projects have actually occurred in the discussion at RAPBD by DPRD and the executive. The tendency of these solutions is justified by several informants as a consequence of the tight tendering competition conducted electronically since 2011 in Pekanbaru (Interview *Bapedda*, 3 March 2015; Inteview LPSE, 8 April 2015). As a result, many

local construction companies are hard to compete with construction companies outside Riau, especially State-Owned Enterprises (SOEs) engaged in construction. The defeat of local contractors to win tendering to get projects is "due to the lack of ability to qualify requirements and uncompetitive prices offered" (Interview ULP, 5 March 2015). In addition, local contractors are hard to condition the auction tendering by other participants for submission of bids can be made from anywhere using the Internet network applications, better known by the name of e-procurement.

Departing from these conditions, many local contractors do "lobbying" through their network of local elites such as DPRD and Mayor to increase the construction projects of contracting because the contracting projects are not carried out with competitions like bids. A network from local contractors to the local elites is not hard to get. Work experience background of the Mayor of Pekanbaru, Firdaus, who was once the head of the Public Works Office of Riau Province in 2008 to 2011 made a lot of local contractors have built a relationship from the beginning. Social relations maintained for a long time make the Mayor has great confidence to local contractors. Moreover, "some of them helped to become a success team and donate money for the Mayor campaign" (Interview Riau Pos, 1 February 2015).

### 2.3. Interventions to the Auction Committee

Recruitment of committee recruitment members on tendering and contracting are particularly vulnerable to intervention by the Mayor. Selection of members is based not only on their competence qualification but also on their loyalty and ability to keep a secret. That pattern make the recruitment members based on purely political choice of the Mayor. Not infrequently, the Mayor also elects the members based on considerations of political colleague. This confirms the professionalism and integrity that does not become a reference in the selection of the name as members of the Working Group because of loyalty to the patron in bureaucracy is needed.

As results, the internal recruitment by Mayor leads to the opening of the nepotism opportunities especially in the selection of the winning tendering, direct appointment and contracting. Giving preferential treatment to certain companies participating in an auction cannot be separated from the good relationship between the contractors with the mayor. The contractor will provide an incentive for committing collusion with Mayor and his subordinates in winning a project. The incentives given makes the good relations continue to be maintained even though the contractors only have low qualifications and are no professional in the project work. Their success in getting the project is merely because of the great access. Instead, the Mayor will organize the committee of tender and procurement directly to ensure that his contractors can be won in the project work. Moreover, no space is given to the public to do control. A result, what appears next is the process of selecting the winner of the project through a tender, direct appointment and contracting which is laden with the scent of corruption.

### 2.4. Asking for Fee as a sign of thanks to contractor

It has become the common practice that the contractor who has won the project should give money as a gratitude to the officers who relate in the procurement. The gratitude money signifies the commitment and efforts to build a good relationship in the future in order to continue to earn the trust so that they can win the next project. BPKP's investigations against one contractor outlined "there were contractors who had given promised and delivered to give a maximum of 30% in the beginning of auction. Essentially the contractors paid first to the project committee" (Interview BPKP, 11 March 2015). Down payment granted to the government officials involved in the construction project activity is informal equally known to both parties. Total of granting is tailored by the communication between both parties.

The existence of the patron clearly confirms that the 'levy' or 'retribution' culture to the leadership including the head office is becoming a tradition in the bureaucracy. Hierarchical relationships created by the Mayor and Vice Mayor are forcing all the government officials in the Pekanbaru to fully be obedient and loyal. Fear of not getting a promotion in career and of losing positions makes them do anything, including collecting 'levy' cultural to the Mayor and Vice Mayor who became the patrons. In the placement of an office head position, 'levy' culture also occurs. As a result, the recruitment and rolling of position in the government are not done transparently and filled with the interests of the Mayor. This practice becomes an unwritten rule for any government officials in the Pekanbaru City. Nevertheless, 'levy' culture is difficult to be admitted by the government officials themselves.

### 2.5. Project evaluation as a formality

In the management of construction projects in Indonesia, there are several parties involved in the supervision of the construction project work in the field, ie, head of office, government officials who to be member of evaluation committee, the committee of consignee and supervisor consultant. Based on Presidential Decree 54/2010 and its amendments, evaluation committee have duty to inspect technical work in the field during the project while the committee of consignee is the government officials in charge of checking and receiving the results of the project work if the done project meets the requirements in accordance with the contract or not. The supervisory consultants are the third-party hired by the government on any project assigned to oversee the realization of the project and assess the progress of the project.

Only in practice, many construction projects handled by the Pekanbaru are not supervised seriously. It is because appointed evaluation is the person who can be governed by Mayor and head of office. The appointment of people easily arranged by the leadership will minimize the risk of emergence of internal criticism if the supervised project is problematic in the future. With the appointment of people who have the same understanding will encourage conducive conditions to build a corrupted system. The weak evaluation of the project work is also caused the not proportional workload against the number of the government officials who holds projects. Based on Central Bureau Survey data in 2014, of 80 officers at *Dinas Cipta Karya* and *Dinas Bina Marga*, only 57 people meet in competency ranks. The number is not enough to supervise construction projects which amount to more than 2,000 in every office.

### 3. Anti-Corruption Measurement

In the anticorruption measurement, accountability is necessary because of the authority attached to the actor. Without the presence of accountability, the mission to achieve corruption-free government will be difficult to be achieved. The Pekanbaru City has actually realized the importance of accountability. The Pekanbaru City has taken several steps to prevent corruption in the offices related to the construction sector and population service sector.

In the corruption prevention in the construction sector, the use of ICT system by Electronic Procurement Services Unit (LPSE) since 2009 is believed to be a concerted effort to prevent corruption by the contractors and government officials. However, relying on ICT system as a priority initiative in solving corruption problems in the auction will not give guarantees. Adigium 'man behind the gun' asserts no matter how is sophisticated the application of ICT in the procurement of the auction will remain dependent on human being behind it. Some obstacles encountered in the initiative implementation through e-procurement are there is no formal authority to impose sanctions against the contractors who indicate fraud, all auction data can only be opened as a whole at the end of the process of auction when contract signature has been done by the bidders designated as the winner, the regulation uncertainty because most of auction rules have revised in the short period.

The improvement of accountability in the construction procurement is also involve other actors. Many studies conclude that actors have a strategic position to participate in designing accountability mechanisms (Yang, 2011). Related to this, to promote accountability in the construction sector, Pekanbaru Citys can make a dynamic relationship with other actors as a representation of accountability forum. This conception encourages the role of public institutions to the three roles, namely to provide information, facilitate discussion and provide sanctions (Brandsma, et al, 2012). Therefore, it is important to analyse the role from various actors to control Pekanbaru Citys.

Formally, there are eight formal institutions, which can perform control against the Pekanbaru City. The number of state institutions is due a) the presence of internally institutional audit mechanisms which is inspectorate), b) political legitimacy given by public to execute the control against the executive which is DPRD, c) as the position of the government above the Pekanbaru City which are Governor, Supreme Audit Board (BPK), and Board of Supervisors Finance and Development (BPKP), police, city attorney, and corruption eradication commission (KPK),

Inspectorate has an internal watchdog function to local Governments. Its function is in running supervision that includes the supervision of the financial sector and performance in all levels ranging from the mayor to the staffs in the Pekanbaru City. In order to carry out its function, the Inspectorate of Pekanbaru has been consist by four internal departments. However, the inspectorate structure institutionally is weak. Act No. 32 of 2004 explains that only the mayor and vice mayor who has direct authority to conduct internal control for each actor in local governments. This makes the inspectorate not have a strong authority to implement direct control to other actors, including the mayor and vice mayor.

DPRD has a vital position in the prevention of corruption in the Pekanbaru City.

The Act No. 32 of 2004 provides space to DPRD as an external agency to encourage the creation of accountability in local governments. In this view, DPRD has control functions in addition to legislation function and budget function. The implication is that Mayor should be accountable to DPRD, at least by giving financial report every end of year. Supervision done by the DPRD also involves the possibility of sanctions.

The fact that happens is inversely. DPRD is actually involved in the corruption. The game in setting the design of budget until claiming the project is some mode of corruption committed by the members of DPRD. A strong bargaining position is exchanged with pragmatic interests. When the DPRD makes its function as barter of political interest, DPRD has marginalized the essence of parliament as an institution elected by the people that should fight for the people's interests. Instead, DPRD also collaborates with the executive in committing corruption.

The independence of DPRD for committing the irregularities is compounded by the weakness of internal control mechanism of political party that carries the DPRD. It is interesting to observe that DPRD of Pekanbaru is always dominated by one party, ie, Golkar Party within the last three elections in 2004 (12 out of 45 seats), 2009 (7 out of 45 seats), and 2014 (7 out of 45 seats). For the record, only elections in 2009 Demokrat Party had a number of seats equal to Golkar Party as many as seven seats. From the trend of composition of seats in DPRD of Pekanbaru, Golkar as the ruling party can influence the policy made by the Mayor. The analysis is not weak because the dominance of Golkar Party in parliament is followed by the length of their power at the peak position of the executive, ie, the Mayor (2001-2011) and the governor (1998-present). The pattern indicates the existence of a hegemonic power in the local political context which is systematically built on the support of the local bureaucracy, community groups, etc. The hegemony makes corruption becomes difficult to eradicate.

On the other hand, the Governor function will be difficult to control Pekanbaru eventhough Pekanbaru is one of local governments in Riau Province. Based on Law No 25 of 2014, the Governor may act as a representative of the central government in an area who can do monitoring, evaluation and supervision of the local governments. However, such authority is not followed by the authority to impose sanctions against the government officials proven committing corruption. As a result, the role of the Province as the frontline in efforts to prevent corruption in the city level becomes difficult.

Furthermore, based on Law No 15 of 2006, BPK is a state high institution domiciled in parallel with the President with the primary task of checking the management and state institutions' finance. The scope of BPK audit is expanded post Indonesia reform, from the previously only serving as an auditor merely for the central government funding to be a financial and compliance auditor on the financial reports of public institutions both the central government, provincial government, city government, state enterprises and local enterprises (Dwiputrianti, 2013). The presence of the auditing scope change makes BPK have representatives in each region.

In its function relate Pekanbaru, BPK issues a report of evaluation annually accompanied by giving an opinion on the financial report provided by the Mayor. BPK always finds similar problems each year related to financial irregularities committed by the Pekanbaru City. Although the findings of the BPK contain detailed

information, the audit done by BPK is felt not to become firm guidelines against the Pekanbaru City to correct the mistakes that have been made. BPK has low bargaining position against the Pekanbaru City because many recommendations for improvement are not followed up. Based on the BPK recapitulation reports in the period 2005-2009, of 69 findings, only 28 could be resolved by the Pekanbaru City, the remaining 41 findings were not resolved.

In contrast to BPK, BPKP is a state institution under the President (the president's subordinate) that serves as an internal supervision and as auditor of other executive institutions including the city government (Dwiputrianti, 2012). However, based on Presidential Decree No 103 of 2001, BPKP can conduct audits only if BPKP is requested by the related government institutions, in this context, local government. These rules make BPKP not have the initiative to carry out supervision and assistance if not requested by the Government. Insufficient of BPKP authorities make its performance to audit Pekanbaru City not optimal. Instead, BPKP is focused on the management function that includes consultation, assistance, prevention of KKN (corruption, collusion, and nepotism) and supervisory training.

Furthermore, the Pekanbaru City are also possible to obtain legal investigation by the police. The role of local police in handling corruption in the city of Pekanbaru can be said minimal. From BPKP investigation corruption cases report, there is no request for investigations against suspected acts of corruption in the Pekanbaru City conducted by the city police. However, the requests are coming from the Provincial Police. This leads to an impression that city police's performance in fighting corruption in the Pekanbaru is weak.

The lack of accomplishment of city police is alleged because police's interests are accommodated both institutionally and personally by the mayor in the various policies. Based on data from budget realization reports of the Pekanbaru City, City Police received a grant of 3,077,559,465 (2011), 1,000,000,000 (2012), 1,000,000,000 (2013), and 1,000,000,000 (2014). Not only that, the city police chief is also given a loan facility in the form of pajero sports cars costing IDR Rp. 426 million from the Mayor sourced from the local budget of the city of Pekanbaru.

Along with the police, the city attorney of Pekanbaru also becomes law enforcement officers who can perform the function of prosecution of corruption cases in the Pekanbaru. Based on the report of the number of suspects established by the city attorney of Pekanbaru in the period from 2010 to 2014 that had increased significantly from 3 suspects (2009) to 22 suspects (2009). However, the performance of the city attorney is still recognized weak because the insufficient number of prosecutors and the lack of budget support in the investigation of corruption cases. The lack of budget support in the investigation of corruption cases is exacerbated by the cuts done by the head of city attorney. The reasons of budget cuts by the leaders for 'serving' people from Jakarta (a prosecutor of the central attorney).

The collaboration between the mayor, judicial figures such as police and city attorney are actually not separated from the existence of the communication forum of local leaders (*Forkopimda*). Based on Law 23, 2014, the Mayor with the leaders of DPRD, the city police chief, the head of city attorney, the head of the Indonesian National Army are joined in *forkopimda* that is aimed as a channel of communication and coordination between them in order to support the implementation of the

government. However, the presence of *forkopimda* is often misused for the benefit of the mayor with the leaders of other institutions. *Forkopimda* is a instrument of conspiracy among the local elite to jointly commit corruption. *Forkopimda* makes ineffective supervision, where the formal state institutions often turn a blind eye against the abuses that can easily occur in local government. The existence of *forkopimda* makes anyone who becomes the head of city attorney and city police chief not only become an equal partner of the Mayor but also become a part for protecting the corrupt practices of the mayor as long as the request is accommodated.

Some institutions are also created after the reform in Indonesia as response to the lack of public confidence towards the existence of institutions that have existed previously. Since 2002, KPK has been established in the functions as investigation and prosecution of any state actor. As a new institution, KPK's performance in eradicating corruption in Riau Province gains broad public appreciation because of its success in capturing a number of regional heads in Riau. In the provincial government levels, KPK is able to arrest three governors of Riau Province respectively, ie, Saleh Djasit in 2008, Rusli Zainal in 2014 and Annas Mamun in 2014 (http://www.jpnn.com/read/2014/09/26/260313/Sudah-3-Gubernur-Riau-Ditangkap-KPK-). The arrests of the three Riau Governors are termed by the public as "hatrick" of KPK in eradicating corruption in Riau.

However, the achievements obtained by KPK in the disclosure of corruption cases in the level of provincial government of Riau do not continue in the Pekanbaru City. KPK has not succeeded yet in revealing cases of corruption against the Government of Pekanbaru City. The lack of KPK's role to detect problems of corruption in the Pekanbaru City is inseparable from the constraints of organizational nomenclature because of the KPK is only domiciled in Jakarta. As results, the range for monitoring is hard. This becomes a dilemma because the performance of other law enforcement institutions that have representatives in the region, ie, police and city attorney has not able to meet public expectations as done by KPK.

Prevention of corruption in the Pekanbaru City may also involve non-formal actors such as Non Government Organizations (NGOs), Civil Society Organizations (CSOs), mass media, and students. Non-formal actors can take on a strategic role when formal actors fail to supervise the practice of corruption in the Pekanbaru City. The existence of various them is an important element in strengthening the role of civil society in the front of Mayor.

Based on the data from the Pekanbaru City, there were 187 NGOs engaged in various fields in 2012 (Kesbangpolimnas, 2013). In the context of combating corruption in the Pekanbaru, some NGOs in Pekanbaru participate for monitoring such as Budget Transparency Forum (FITRA), Indonesia Monitoring Development (IMD), and others. The various NGOs are actively involved in monitoring and advocacy related to budget transparency in the government. However, there are also other NGOs that participate to supervise the Pekanbaru City but aim for certain motives. It has become a scourge that NGOs that receive money from officials and contractors unofficially are referred to as 'red plate' NGOs. Phenomena of red plate NGOs in Pekanbaru continues to grow because NGOs are justified to receive a grant each year from the Mayor. Based on a detailed report on the implementation

<sup>&</sup>lt;sup>2</sup> In the Indonesia, government official car using red plate. Therefore, people using red plate as a term to the government.

document of no-direct budget changes by the Pekanbaru City, grants are awarded to various NGOs in Pekanbaru by IDR Rp. 41,775,500,000 (2013) and IDR Rp. 32,228,794,200 (2014). The amount of aid budget to NGOs by the government is actually more geared as an effort to defuse criticism against the Mayor and officials of bureaucracy underneath.

Besides NGOs, the presence of CSOs such as Muhammadiyah and NU should be able to play an important role in governance. The organizations are part of the civil society movement. As part of civil society movements, CSOs play an important role as a bridge for the public to measure level of trust in the government. The measure will be represented by collective movement in the community in safeguarding the spirit of anti-corruption in daily life.

In practice, Muhammadiyah in Pekanbaru recognizes that it has a closeness with five members of Pekanbaru DPRD from the National Mandate Party (PAN). Political affiliation between Muhammadiyah and the PAN is not a taboo and new thing because the founding of PAN itself as a party at the beginning of the 1998 reform in Indonesia cannot be separated from the role of Muhammadiyah. In the context of Pekanbaru, support for PAN also occurs in the election. Not only that, Muhammadiyah receives assistance of IDR Rp. 930,775,000 for various activities within from 2011 until 2014 by the Pekanbaru City. This grant has great meaning for Muhammadiyah organization because they have many activities that should be funded. But, a great assistance is also followed by political interests. As the largest religious mass organization in Pekanbaru today, Muhammadiyah is often asked to support a candidate who follows the Public Election or Local Election. The voice supports are very important because the voice base of Muhammadiyah is solid mass. The solid mass of Muhammadiyah can be seen from one of the characteristics of the movements on student organizations throughout Indonesia that adheres to a command system (Zenzie, 1999).

In contrast, local mass media have a more powerful access to the public in voicing corruption issues. From historical side, development of media in Pekanbaru began with the establishment of the government media, ie, RRI (*Radio Republik Indonesia*) and TVRI (*Televisi Republik Indonesia*), established there in 1959 and 1997 (Suryadi, 2005). The establishment of the two medias was a strategic political agenda for the New Order regime under Soeharto control to maintain the unity of the State and prevent disintegration of the regions (Suryadi, 2005). Moreover, the first private media established that got a strong public attention by people in Pekanbaru is Riau Pos newspaper. Riau Pos establishment is inseparable from large donations of government. Riau Pos received budget from the city government of Rp 170,000,000 in 2013 and Rp. 285,000,000 in 2014 to sign a page containing advertorial on Mayor's policies (Financial Report by Department of Public Relation Pekanbaru Local Government, 2013-2014). Therefore, realizing the existence of media in the Pekanbaru as a political instrument of the ruler at that time made the media in a position not independent.

In Pekanbaru, many student movements are run by student organizations that have been established such as the Muslim Students Association (HMI), Muhammadiyah Student Association (IMM), Indonesian National Student Movement (GMNI), and other student organizations. However, HMI of Pekanbaru City and several other student organizations always get financial support from the Mayor. In

the Budget Realization Report of Pekanbaru City, HMI of Pekanbaru City received a grant of IDR Rp. 20,000,000 (2012) and IDR Rp. 15,000,000 (2013). This assistance cannot be separated from the emotional similarity for a lot of local elite that were formerly involved as activists in various student organizations. The emotional similarity continues to be nurtured by the formers of the organization as a form of indirect intervention to student organizations considering almost all student organizations do not have an independent funding. This condition makes the student organization tend to be pragmatic.

Moreover, the public control in Pekanbaru also weak. Although Pekanbaru has heterogeneous ethnicities which are Minang ethnic (38%) is the majority population followed Malay (27%), Javanese (15%), and Batak (10%) in 2000, the Malay is ethnic claims as a native of Pekanbaru (Ford in Aspinall & Fealy, 2003). Ethnic tensions have risen because malay as a native not receive economic benefit at their regions during Suharto regime (Wee, 2002). This sharp ethnicity claim that sometimes occurs in the community leads to the bulkhead significantly, especially the mounting conditions after decentralization in 1999 which granted greater autonomy to the region by the central government (Ford in Aspinall & Fealy, 2003). Malay ethnic group features domination, exclusivity, and tends to bang its ethnic background to the other ethnic groups in social interaction in the government. The primordial tension like that is still occurring in the recruitment of officer in the bureaucracy. As a result, the sensitivity of public to control corruption is weak because they want to protect the government officers based on spirit of ethnicity.

#### 4. Conclusion

Understanding the massive corruption in the Pekanbaru City as one of the most corrupt local governments in Indonesia confirms the problem of corruption involving complex matters such hegemony of political power, the lack of transparency in government, etc. Domination of the Mayor's power does not only apply in bureaucracy but also in the social structure. The failure accumulation of the Pekanbaru City to be transparent and accountable is in line with the permissive culture of the society against corruption.

Relying on combating corruption through regulation, the use of ICT, the evaluation based on the hierarchy in the organization internally and involving multi actors in the monitoring does not run optimally. Public expectations to several new institutions in combating corruption cannot be effective due to the lack of resource support. Efforts to take action against corruption are not maximal and systematic. As a result, actions against corruption are taking place incrementally.

The Pekanbaru should make several options to curbing corruption such as bureaucratic reform, improve integrity of officer, and enhance public control. The last option is a necessity that must be considering as next issues to prevent corruption. Public should realized that they should be independent and avoid corrupt acts due to political pressure as what has happened all these times. Without that, public will be a part of problem with government.

#### References

- Aspinall, Edward. (2009). "Combatants to contractors: the political economy of peace in Aceh." Indonesia, 87, 1-34.
- Central Bureau Survey. (2014) *Pekanbaru in figures 2014*. Pekanbaru: Badan Pusat Statistik
- Cresswel, John W. (2007). *Qualitative inquiry and research design*. Thousand Oaks: Sage Publications Inc.
- Dwiputrianti, Septianti. (2011). "Scope of auditing on the quality of content in the Indonesian external public sector auditing reports." *International Review of PublicAdministrattion*, 16 (3), 133-149.
- Dwiputrianti, Septianti. (2012). "Reforming public sector transparency and accountability through development of E-Government and publication auditing findings." Jakarta, *Paper conference presented on Bureaucracy Reform Exhibition, Conference, Stakeholders Meeting 2012*
- Ford, Michele. (2003). Who are the orang Riau? Negotiating identity across geographic and ethnic divides. In Aspinall, Edward., & Fealy, Greg (Eds.). *Local power & politics in Indonesia: decentralization & democratization*. Singapore: Institute of Southeast Asia Studies.
- Friedmann, John. (1992). *Political empowerment*. Massachusetts: Blackwell Publishers.
- Indonesia, Transparency International. 2010. Mengukur tingkat korupsi kota-kota di Indonesia: Denpasar dipersepsikan bersih, Pekanbaru dan Cirebon bermasalah. Jakarta: Press Release Transparency International Indonesia.
- Jones, David S. (2009). "Curbing corruption in government procurement in Southeast Asia: challenges and constraints." *Asian Journal of Political Sciences*, 17 (2)
- Olken, Benjamin A. (2005). "Corruption and the cost of redistribution: micro evidence from Indonesia." *Journal of Public Economies*, 90 (4), 853-870. doi:10.1016/j.jpubeco.2005.05.004
- Schutte, Sofie Arjon. (2012). "Against the odds: anti-corruption reform in Indonesia." *Public Administration and Development*, 32, 38-48. DOI:10.1002/pad.623
- Smith, Theodore. (1971). "Corruption, tradition and change." *Indonesia*, 11, 21-40.
- Suryadi. (2005). "Identity, media, and the margins: radio in Pekanbaru, Riau (Indonesia)." *Journal of Southeast Asian Studies*, 36 (1), 131-151. doi: 10.1017/S0022463405000068,
- Suwardi, MS., Ghalib, Wan., Isjoni., & Zulkarnain. (2006). *Dari kebatinan Senapelan ke bandaraya Pekanbaru: menelisik sejarah Kota Pekanbaru 1784-2005*. Pekanbaru: Pemerintah Kota Pekanbaru & Masyarakat Sejarawan Indonesia Cabang Riau.

- Tidey, Sylvia. (2012). Performing the state: everyday practices, corruption and reciprocity in middle Indonesian civil service. Amsterdam: Disertation at Faculty of Social and Behavioural Science, Universiteit van Amsterdam. Available online at: <a href="http://dare.uva.nl/record/410537">http://dare.uva.nl/record/410537</a>
- Tidey, Sylvia. (2013). "Corruption and adherence to rules in the construction sector: reading the bidding books." *American Anthropologist*, 115 (2), 188-202. doi:10.1111/aman.12003
- van Klinken, G.A. & Berenschot, W (Eds). (2014). *In search of middle Indonesia: middle classes in provincial towns.* Leiden: Brill.
- Wee, Vivienne. (2002). Ethno-nationalism in process: atavism, ethnicity, and indegenism in Riau. Hong Kong: Working Paper Series, 22 at the City University of Hong Kong.
- Zenzie, Charles U. (1999). "Indonesia's new political spectrum." *Asian Survey*, 39 (2), 243-264/