Corruption in Procurement of Goods and Services in Makassar City

Salmawati, Dian Eka Rahmawati, Achmad Nurmandi, Suswanta

1Postgraduate Program, Universitas Muhammadiyah Yogyakarta, Yogyakarta, Indonesia
2Postgraduate Program, Universitas Muhammadiyah Yogyakarta, Yogyakarta, Indonesia
3Postgraduate Program, Universitas Muhammadiyah Yogyakarta, Yogyakarta, Indonesia
4Postgraduate Program, Universitas Muhammadiyah Yogyakarta, Yogyakarta, Indonesia

Corresponding Author: ganhysalma027@gmail.com

Article Info

Keyword: Corruption; Procurement; Network.

Abstract: The rise of corruption cases in Indonesia at this time every year is always increasing, this causes the community to feel uneasy with corruptors who are still rampant everywhere. The percentage and network of corruption Edy of the supreme court judge's Decision no.23 /Pid.Sus-TPK/2019/Pn Mks is quite interesting to examine especially if we can see who the dominant actors are in this case, both from the planning process, the bidding process, the bid evaluation process, and implementation and evaluation. This study uses a descriptive qualitative approach which illustrates the phenomenon of Edy corruption case in the supreme court's decision no.23/Pid.Sus-TPK/ 2019/Pn Mks. Descriptive analysis in this study uses the Nvivo 12 Plus software. Data from this study were sourced from the supreme court decision no.23/Pid.Sus-TPK/2019/Pn Mks and previous research relating to the corruption of edy. the results of this discussion the conclusions that the author can take from the presentation of the analysis above are based on the decision of the supreme court no.23 / Pid.Sus-TPK/2019/Pn Mks analyzed with nvivo12 Plus in general from the four processes above can be seen corporate 44%, Government 52%.


Article History: Received: 2020-04-11, Revised: 2020-06-22, Accepted: 2020-06-27
INTRODUCTION

Corruption is now very mature is a very dangerous social pathology that threatens all aspects of the life of the nation, continues to increase. The World Economic Forum (WEF) Data in figure.1 the Global Competitiveness Report 2017-2018 shows, corruption is the highest barrier to doing business in Indonesia with a score of 13.8. This led to doing business in Indonesia at a high cost due to corruption practices. The factors that cause a business loss in Indonesia are government bureaucracy inefficiencies with a score of 11.2, access to financing with a score of 9.2, and infrastructure that is not Adequate with an 8.8 score. The other inhibitory factor is the stability of policy made by the Government with a score of 8. The government’s instability and tax ratios occupy the next sequence of 6.5 and 6.4 respectively. The World Economic Forum ranked Indonesia's competitiveness at No. 36 or up to five current rankings compared to the 2016-2017 report. There is still a lot to be repaired by Indonesia, especially related to the efficiency of the labor market, health and basic education, and the readiness of technology (Hauser, 2019; Solaiman, 2017).

Figure.1
Number of cases based on corruption mode (2019)
Source: Indonesia Corruption Watch (ICW)

As in figure.2 below where Indonesia is one of the countries high enough rate of corruption involving 9 provinces including South Sulawesi one of Makassar city, Makassar City is the largest city in South Sulawesi both in terms of government and economy so the opportunity to do not criminal corruption.

Figure.2
Corruption cases and loss value in 9 provinces in 2018
The views of various countries about corruption (India) Corruption of the deeds of the Unpraiseworthy want to gain profit (money) as quickly as possible by abusing the position of authority or by tactics that deliberately slow down a settlement with the intention of to become disruptions to not want the interested person to deal with money by way of the way back, (Argentina) corruption is the deeds: 1. The bribery of the 2. Misuse of government/State funds 3. Embezzlement 4. Conduct transactions that do not conform to the functions of the officer concerned. And the Russian state of corruption as a system of certain relations that violate the laws of all State authorities that violate the interests of the State and society, with a variety of motivations. (Kapeli 2019; Azim 2017 ; Jimenez 2018 )

Speaking of corruption procurement of goods and services foreign there is again in the community of Awang even other countries often happen the corruption of goods and services such as according to the study discussing the civil service reform and the election of the pro-reform candidate seems futile to bring long-lasting results of diverse countries such as India and Argentina. Failed countries from Afghanistan to Iraq reveal corruption into a central issue. While cultural roles, often interpreted as beliefs, attitudes, values, norms, and joint practices are recognized in academic literature as a potentially important element, so far it has not been incorporated into the design of aid programs to reform civilian services. In this collection examine why attempts to reform the civic services of developing countries have largely failed in the good part because they focus on formal and neglect the need to reform culture. (Shleifer dan Vishny, 1993; Sandholtz dan Koetzle, 2000; Treisman, 2000; Agatiello, 2010; Graycar dan Sidebottom, 2012; Jetter, et. al, 2015. Junaidi 2018)

The corruption of procurement is where public officials sell public goods for personal gain materialize differently (bribery, bureaucracy, organized crime and unproductive behavior) and lead to reduced investment, distorted public expenditure, social and economic failures, economic instability and stagnation as well as the extravagance of entrepreneurial development (Park, 2003; Alonet al., 2016; Cuervo-Cazurra, 2016) Corrupt officials are motivated by a project that maximizes the political wisdom 113 their opportunities to gain wealth rather than maximizing public welfare gains, distorting the allocation of efficient resources in the free market. (Guptat 2016) Many studies find a negative relationship between corruption and economic development (Maydar 2016; Maoro ; 2014 ; Hall and Jones 2016)

Red flags have been identified in the literature. Conventionally they are under four headings:
1. Planning (pre-tender stage)
2. Bidding (tender phase)
3. Evaluation of bids
4. Implementation and monitoring (post-tender)

RESEARCH METHOD

This research is a qualitative study, The main purpose of qualitative research is to understand (to understand) the phenomenon or social symptom by more detailed on the complete picture of the phenomenon studied than to break it into interconnected variables (Saleh, 2012), this research is also supported by the data analysis software NVIVO 12 Plus Artificial Intelligence. NVivo is a Qualitative Data Analysis (QDA) using software manufactured by QSR International that has many advantages and can significantly improve the quality of research. Qualitative data analysis becomes easier and produces more professional results (AlYahmady & Al Abri, 2013).

The data analysis techniques on this research are using NVivo 12 Plus software. The advantage of NVivo 12 Plus is that it can translate social media data by utilizing the capture feature. The data source in this study was the ruling of the supreme judge, No. 23/PID. SUS-TPK/2019/Pn Makassar.
RESULT AND DISCUSSION

Planning Process
Planning as an activity to coordinate to achieve a specific goal within a certain period of time, so in planning there will be a test activity of several directions of achievement, reviewing uncertainty, measuring capacity, determining the direction of achievement, and assigning steps to achieve it (Lourenço et al., 2018; Rifai 2018).

![Planning Process Diagram]

From the figure 3 Crosstab Query, the above planning process can be known to who is the most instrumental in the planning process of the Government, namely the education and culture office with a percentage of 35%, because in the procurement activities of goods and services that carried out by the Ministry of Education and Culture itself in the supply of technical implementation unit with as many as 14 units of UPTD with the head of Dinas named Ir. Alimuddin Talawe M.Si Year 2015 and head of the Department of Office in 2016 named Drs. H. Ismunadar M. M (Ferwerda, Deleanu, & Unger, 2016) And treasurer General with a 17% percentage due to financial management in this activity. Meanwhile, the Corporate Party (company) is the most engaged Cv. Fitria with a percentage of 24% which is in the Recturi Abdul Naim because of Cv. Fitria is a lot of involvement in the planning process of other Cv involved.

Bidding Process
The offer in economics is the sheer number of goods or services available and can be offered by the manufacturer to consumers at any price level over some time. The offer can also be interpreted as a discussion process between the seller and the company to determine the specific price and time. This bidding process in the project world becomes corrupted if there are collusion or games that do not match such bribery with the intention of the outcome of a project or activity concerned with the budget. The bidding process in the case of corruption procurement can be seen in the image below:
From figure 4 crosstab image, the bidding on a very dominant bargaining process is M. Nasir’s procurement Officer, L. S. Sos as technical Implementation Officer (PPTK) for activities in the fiscal year 2015, demanded that the provider of goods/services in the activities of office Administration for 14 (fourteen) technical implementation Unit of the Department (UPTD) The education is only used administratively in the direct procurement process/direct appointment without carrying out the work activities so that M. Nasir. L. S. Sos ordered his staff to be witnesses of Irwanto Anwar Als. Iwan to look for some companies that can be used as a provider of goods/services in the implementation of office administration activities for 14 (fourteen) technical implementing Unit Dinas (UPTD) education consisting of shopping activities office stationery (ATK), cleaning equipment shopping and cleaning tools, shopping for multiplication, and shopping food and beverage activities TA 2015, provided that the company to be used is a company that is willing to be used administratively in the direct procurement process/direct appointment without carrying out the work activities follows.

As for the corporate or company which is very responsible in the bargaining process namely Cv. Fitria with a percentage of 27% of other companies, very clearly see the picture above Cv. Fitria is very instrumental in taking part in distributing the procurement of goods and services.

**Table 1** Distribution Division

<table>
<thead>
<tr>
<th>No</th>
<th>Name of activity</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shop for Office Stationery Semester 1</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>2</td>
<td>Shop for Office Stationery Semester 1 Step 1</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>3</td>
<td>Shop for Office Stationery Semester 1 Step 11</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>4</td>
<td>Shop for Cleaning Equipment and Cleaning Materials for Semester 1</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>5</td>
<td>Shop for Cleaning Equipment and Cleaning Materials for Semester 11</td>
<td>Cv. Ahksa Putra</td>
</tr>
<tr>
<td>6</td>
<td>Print Shopping and Semester Procurement 1</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>7</td>
<td>Print Shopping and Semester Procurement 11</td>
<td>Cv. Fitria</td>
</tr>
<tr>
<td>8</td>
<td>Shopping for Food and Beverage Semester 1</td>
<td>Cv. Ahksa Putra</td>
</tr>
<tr>
<td>9</td>
<td>Shopping for Food and Beverage Semester 11</td>
<td>Cv. Tiga Serangkai</td>
</tr>
</tbody>
</table>
**Bidding evaluation process**

Offer evaluation is the target of the offer that has been given to be repeated or given time to the consultant with the business opponent of the agreed project, the evaluation process of bidding is familiar in the world of economics and government negotiations between the two parties who cooperate to achieve the goal. In this process, we can see the image below.

![Crosstab Query Bid-evolution](Source: Nivo 12, 2019)

From figure 5 Crosstab Query Bid-evolution can be seen in the education and culture office which is a high percentage of 15% as an implementation in the project to distribute goods and services to 14 UPTD must be involved in the evaluation process because the project is the education and culture office itself that held in cooperation with the companies that have been determined. The result of the evaluation process is that the company only gets a Fee of 5% (five percent) of the value of the activity, then the company is willing to surrender 95% (ninety-five percent) of the payment value of the work activity to M. Nasir. L., S. Sos as the technical implementation officer of the activities, hereinafter as the implementing activities and to support the budget for the procurement of goods to the regional technical implementation Unit already know the matter.

**Implementation and employee processes**

The implementation process is where the execution process is the previous one and this process determination of what results are planned starting from the beginning. The process of supervision that aims to supervise each process is the advantages and disadvantages of planning from the beginning to achieve a goal that has been determined at the right time.

In Figure 6 Crosstab Query The process of implementation and offering a high percentage rate of procurement officials 43.23% and the general Treasury Debora 24.52% because both of them are very instrumental in the process of execution and supervision in the procurement project in terms of distributing goods. Procurement officials are dropped directly in distributing while the Treasurer General of the District role since the task of Treasurer General of the region as a disbursement and expenditure of budget to make payments-payment of the goods in the purchase. This is process can be seen in figure 6:
The process of implementing and supervising on top of the company is the most acting Cv. Ahksa Putra with a percentage of 15.03% of the implementation process does not work according to what was previously confirmed. Edy director CV. AKHSA Putra As one of the appointed company, he never followed the stage of direct procurement and did not carry out part or all of his work, where all the administration and documents related to procurement and disbursement of funds made by Irwanto alias Iwan on the order of M. NASIR. L, S. Sos, while the defendant as director of CV. AKHSA only signed the document.

That from the results of the activities in the fiscal year 2015, the defendant as the director of Cv. AKHSA Putra received payment amounting to Rp. 32,104,800,- and Rp. 2,701,586,- = Rp. 34,806,386,- which is entered into the company account of Cv. AKHSA Putra at Bank Sulselbar number 130-003-000285132 next money entered into the company's account Cv. Ahksa Putra above, as director of Cv. Ahksa Iwan to be handed over to M. NASIR. L, S. Sos after being reduced by a Fee of 5% as agreed from the beginning.

Network Corruption Edy

The network in this case is an interconnectedness between the various elements in the Makcrude city environment. The interconnectedness results in a relationship affecting one another. One has to collaborate with a network of leaders who have weak resources. It means that network corruption or network is not centralized that does not require communication with its members (Nielsen, 2003).

In this section, researchers will analyze the network of corruption cases procurement conducted by Edy as director of Cv. Aksha Putra engaged in distributing goods and services in the city of Makassar.
The figure above analysis uses Network Sociogram in Nvivo 12 Plus and the use of "Give To" and "Collaboration With" relationship types. Then the results of the above analysis indicate that the education and culture Office (Ir. Alimuddin Tarawe M.Si) to be the center of the implementation of activities to distribute the ATK goods to 14 units in the city of Makassar involving several government actors, i.e. General Treasurer, acting procurement, public cases, Secretary of Office, the recipient of the activities and the company’s actors who are invited in the case of Cv. AKHSA Putra, CV. Fitria, Cv Sanjaya Pratama, Cv. Saputra and Cv. Tiga Serangkai.

As in the picture above is very clear actors who play a role in the network of the case is from the government actors Alimuddin as the head of office and Culture which is the acting task in this activity and Ahmad Rajab as Acting to receive results, both actors are co-operative in distributing their ATK items. While the actor in the company is Cv. AKHSA Putra (Edy) who is involved in the procurement corruption case because it does not exercise the cooperation properly so that it becomes suspect with the proof of receiving payment of Rp. 32,104,800,- and Rp. 2,701,586,= Rp. 34,806,386,- which is entered into the company account of Cv. akh130-003-0000285132.

CONCLUSION

The analysis exposure above is based on the Supreme Court ruling No. 23/Pid. Sus-TPK/2019/PN Makassar which is analyzed with Nvivo 12 Plus in general from the four processes can be seen by the government by 52%, private/corporate 44% But if mapped in any indicator process can be seen first: in the planning process of actors involved in the government
The Effect of Leadership Style and Compensation on the Work Performance of Merangin District Office Employees, Jambi: The Role of Work Motivation

of 45%, Corporate of 55%, second: In the process of bidding actors involved government 40%, Corporate 37%, third: Actors involved government 71%, Corporate 20 and fourth: government-involved actors 64.74% Corporate 35.26%. The four indicators process above each has their role with the different level so that the role of government and corporate still cooperate and collaborate in distributing ATK goods to 14 technical implementation Unit of Dinas (UPTD) TA.

2015 accordance with the Order letter (SP) No. 800/016/DPK/I/2015 dated 05 January 2015 and Order letter (SP) No. 800/054/DPK/X/2015 dated 06 October 2015 even in Corporate (company) Cv. Aksha Putra does not carry out duties properly with the Budget corruption criminal act of Rp. 34,806,386,- (thirty-four million eight hundred six thousand three hundred eighty-nine Rupiah) as part of the total financial losses of the State amounting to Rp. 323,081,978,- (three hundred twenty-three million eighty-one thousand nine hundred seventies eight rupiah) or at least about the amount, as well as the audit report to calculate the financial losses of the State on the alleged corruption crimes of the budget activities of the technical implementation Unit of Dinas (UPTD) at the Education and Culture Office of Makassar City TA. 2015 and TA. 2016 number: SR-432/PW21/5/2018 dated 24 July 2018.

REFERENCE


https://doi.org/10.1017/S147475618000290
5(1), 39–44.