



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%.

Kata Kunci:

Korupsi;
Pengadaan;
Jaringan.

Abstrak: Maraknya kasus korupsi di Indonesia saat ini setiap tahun selalu meningkat, ini menyebabkan masyarakat merasa tidak nyaman dengan koruptor yang masih merajalela di mana-mana. Persentase dan jaringan korupsi Edy dari keputusan hakim agung no.23 /Pid.Sus-TPK/2019/Pn Mks cukup menarik untuk diteliti terutama jika kita dapat melihat siapa aktor yang dominan dalam kasus ini, baik dari perencanaan proses, proses penawaran, proses evaluasi penawaran dan implementasi dan evaluasi. Penelitian ini menggunakan pendekatan kualitatif deskriptif yang menggambarkan fenomena kasus korupsi Edy dalam keputusan mahkamah agung no.23/Pid.Sus-TPK/2019/PnMks. Analisis deskriptif dalam penelitian ini menggunakan perangkat lunak Nvivo 12 Plus. Data dari Studi ini bersumber dari keputusan pengadilan tertinggi no.23/Pid.Sus-TPK/2019/PnMks dan penelitian sebelumnya yang berkaitan dengan korupsi edy. Hasil diskusi ini kesimpulan yang penulis dapat ambil dari penyajian analisis di atas didasarkan pada keputusan mahkamah agung no.23/Pid.Sus-TPK/2019/PnMks dianalisis dengan nvivo12 Plus secara umum dari keempat proses di atas dapat dilihat coprorate 44%, Pemerintah 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).

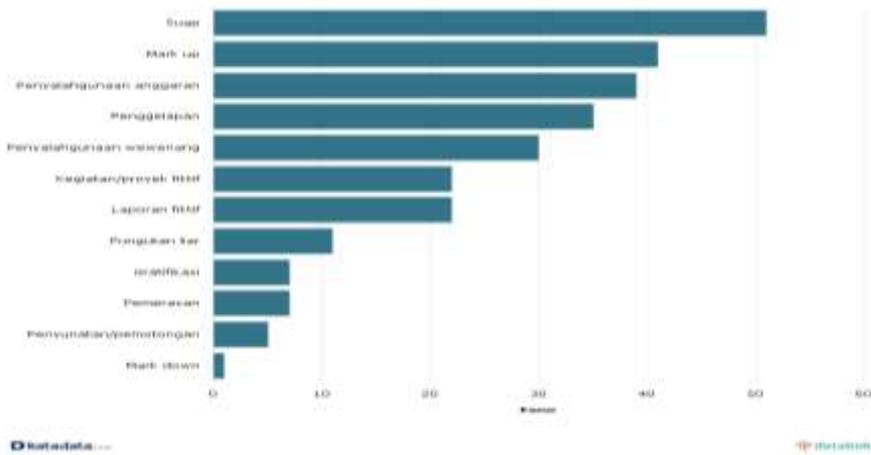


Figure.1
Number of cases based on corruption mode (2019)
Source: Indonesia Corruption Watch (ICW)

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.

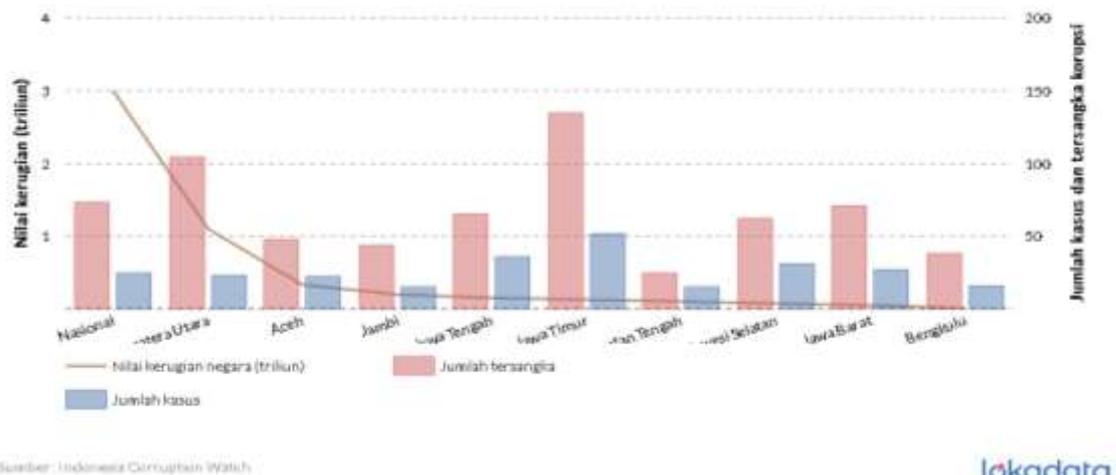


Figure.2
Corruption casses and loss value in 9 provinces in 2018

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).

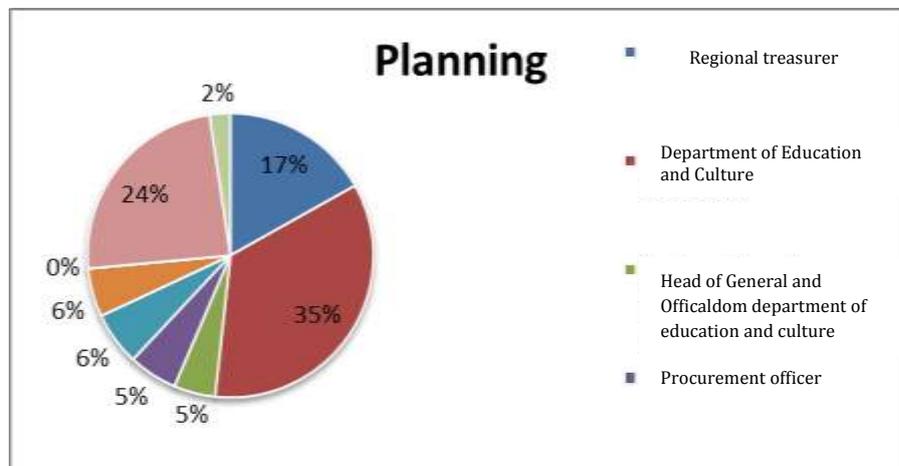


Figure.3

Crosstab Query Proses Planning

Source:Nvivo 12, 2019

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:

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.

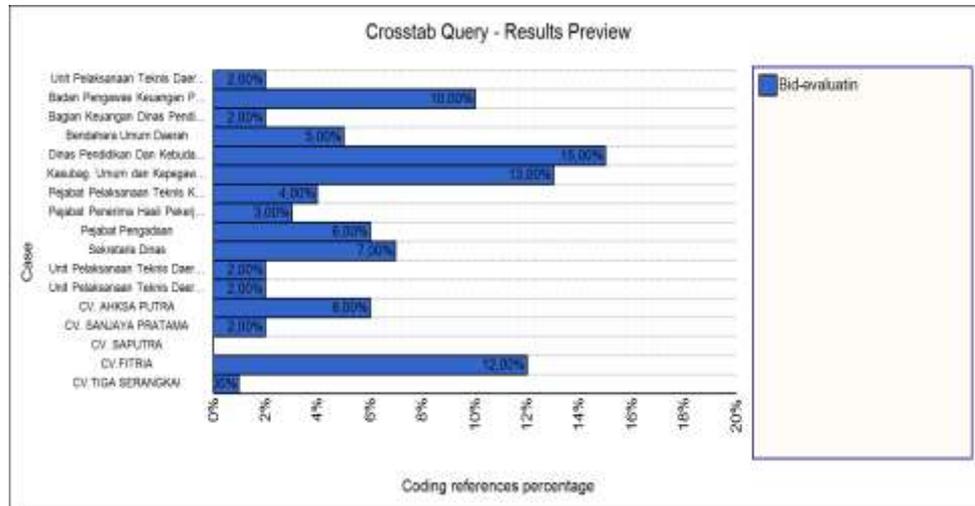


Figure.5
Crosstab Query Bid-evaluatin
Source: Nnivo 12,2019

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:

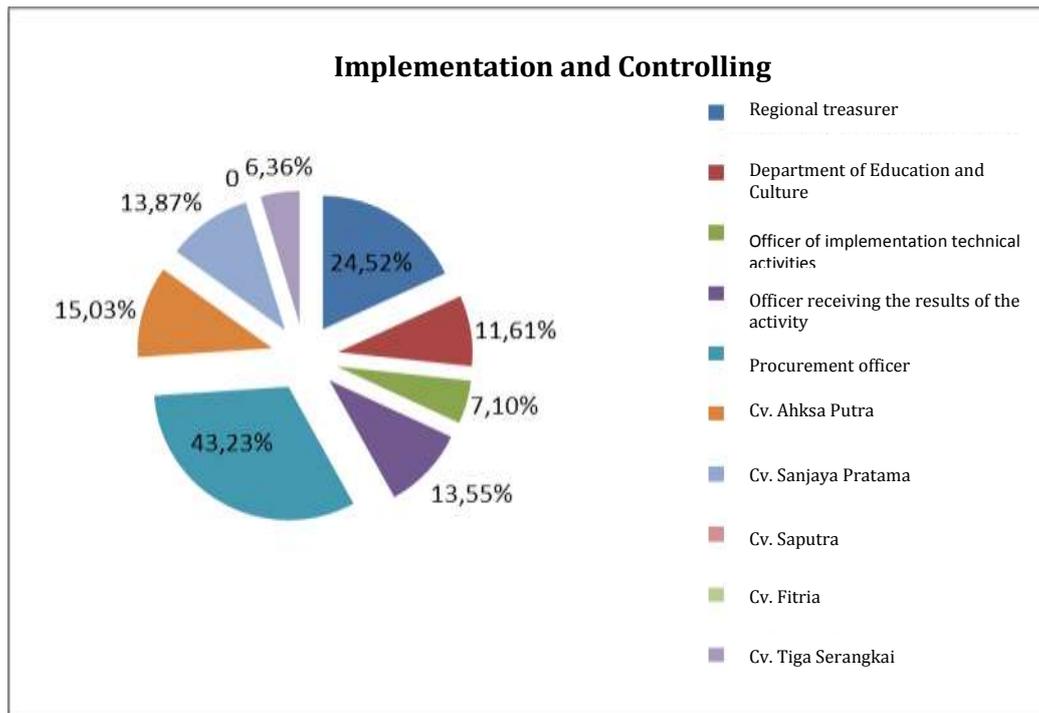


Figure.6
Crosstab Query Implementasi Controlling
Source: Nnivo 12 ,2019

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 Sulsebar number 130-003-0000285132 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

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's 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-six 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

- 2014, B. (2014). *OPTIMALISASI PEMBERANTASAN KORUPSI DI INDONESIA 1 Bambang Waluyo Kejaksaan Agung Republik Indonesia Email: -. 1(2)*, 169–182.
- AlYahmady, H. H., & Al Abri, S. S. (2013). Using Nvivo for Data Analysis in Qualitative Research. *International Interdisciplinary Journal of Education*, 2(2), 181–186. <https://doi.org/10.12816/0002914>
- Ashyrov, G. (2019). *Role of managerial traits in firm-level corruption : evidence from Vietnam*. <https://doi.org/10.1108/JSBED-01-2019-0019>
- Azim, M. I., Sheng, K., & Barut, M. (2017). *Combating corruption in a microfinance institution*. 32(4), 445–462. <https://doi.org/10.1108/MAJ-03-2016-1342>
- Brianzoni, S., Campisi, G., & Russo, A. (2018). *Commun Nonlinear Sci Numer Simulat Corruption and economic growth with non constant labor force growth*. 58, 202–219. <https://doi.org/10.1016/j.cnsns.2017.07.007>
- Bruno, L. (2019). A PERCEPÇÃO DOS ENFERMEIROS SOBRE EDUCAÇÃO PERMANENTE EM SAÚDE NO CONTEXTO DA ESTRATÉGIA SAÚDE DA FAMÍLIA DE SOBRAL (CE). *Journal of Chemical Information and Modeling*, 53(9), 1689–1699. <https://doi.org/10.1017/CBO9781107415324.004>
- Chak, G. (2018). *Police corruption: a comparison between China and India*. <https://doi.org/10.1108/JFC-10-2017-0096>
- Charron, N., Fazekas, M., & Lapuente, V. (2017). *Careers, Connections, and Corruption Risks: Investigating the Impact of Bureaucratic Meritocracy on Public Procurement Processes*. 79(1).
- Chen, M., Mao, S., & Liu, Y. (2014). Big Data: A Survey. *Mobile Networks and Applications*, 19(2), 171–209. <https://doi.org/10.1007/s11036-013-0489-0>
- Cohen, D., & Petkov, M. (2016). *Corruption in healthcare is rife worldwide , finds report*. 5522(October), 1–2. <https://doi.org/10.1136/bmj.i5522>
- Ferwerda, J., Deleanu, I., & Unger, B. (2016). Corruption in Public Procurement: Finding the Right Indicators. *European Journal on Criminal Policy and Research*. <https://doi.org/10.1007/s10610-016-9312-3>
- Gong, T., & Zhou, N. (2015). *Corruption and marketization : Formal and informal rules*. (January 2014), 63–76. <https://doi.org/10.1111/rego.12054>
- Hauser, C. (2019). *Re fl ecting on the role of universities in the fi ght against corruption*. 54(1), 4–13. <https://doi.org/10.1108/RAUSP-09-2018-0080>
- hermanto, hermanto. (2001). Korupsi Dan Pembangunan. *Jurnal Ekonomi & Studi Pembangunan*, 2(1). <https://doi.org/10.18196/jesp.2.1.1458>
- Hira, A. (n.d.). *Broken Windows: Why Culture Matters in Corruption Reform*. 32(1), 1–16. <https://doi.org/10.1177/0169796X15609710>
- Holmes, P. (n.d.). *Does the WTO Government Procurement Agreement Deliver What It Promises ?*

- <https://doi.org/10.1017/S1474745618000290>
Huang, Y., & Xia, J. (2018). PT. *European Economic Review*.
<https://doi.org/10.1016/j.euroecorev.2018.11.001>
- Jiménez, A., & Alon, I. (2018). *Corruption , political discretion and entrepreneurship discretion*. 26(2), 111–125. <https://doi.org/10.1108/MBR-01-2018-0009>
- Junaidi 2017. (2018). *KORUPSI, PERTUMBUHAN EKONOMI DAN KEMISKINAN DI INDONESIA*. 3(1), 71–79.
- Khlif, H. (2008). *Sustainability level , corruption and tax evasion : a cross-country analysis*. <https://doi.org/10.1108/JFC-09-2014-0041>
- Kim, Y. J., & Kim, E. S. (2016). *Exploring the interrelationship between public service motivation and corruption theories*. 4(2), 181–186. <https://doi.org/10.1108/EBHRM-12-2015-0047>
- Krambia-kapardis, M. (2019). *Disentangling anti-corruption agencies and accounting for their ineffectiveness*. 22–35. <https://doi.org/10.1108/JFC-01-2018-0016>
- Kurniawan, H. (2015). *DINAMIKA PROSES PEMEKARAN KECAMATAN PULAU MERBAU KABUPATEN KEPULAUAN MERANTI*. *Jom FISIP*, 2(1), 1–15.
- Lourenço, I. C., Rathke, A., Santana, V., & Branco, M. C. (2018). *Corruption and earnings management in developed and emerging countries*. 18(1), 35–51. <https://doi.org/10.1108/CG-12-2016-0226>
- Parrado, S., Dahlström, C., Lapuente, V., & Parrado, S. (2018). *South European Society and Politics Mayors and Corruption in Spain : Same Rules , Different Outcomes Mayors and Corruption in Spain : Same Rules , Different Outcomes*. *South European Society and Politics*, 0(0), 1–20. <https://doi.org/10.1080/13608746.2018.1528692>
- Prabowo, H. Y. (2014). *To be corrupt or not to be corrupt Understanding the behavioral side of*. <https://doi.org/10.1108/JMLC-11-2013-0045>
- Rifai 2018. (2018). *Mengajarkan Sikap Anti Korupsi Sejak Dini Melalui Refleksi Keluaran 23 : 1-13*. 4(1), 1–13.
- Rinie 2015. (2015). *Jurnal InFestasi*. 11(2), 195–213.
- Rossita, A., & Nurchana 2017. (2007). *EFEKTIVITAS E-PROCUREMENT DALAM PENGADAAN BARANG / JASA (Studi terhadap Penerapan E-Procurement dalam Pengadaan Barang / Jasa di Kabupaten Bojonegoro)*. 2(2), 2007–2011.
- Saleh, K. (2012). *Implementasi Metode Penelitian Kualitatif Dalam Bidang Pendidikan*. *Wahana Akademika*, 14(2), 57–74.
- Satyawan, M. D. (2017). *MENGUNGKAP KORUPSI MELALUI BUKTI AUDIT MENJADI BUKTI*. 183–199.
- Sharma, S. K., Sengupta, A., & Panja, S. C. (2019). *Public Performance & Management Review Mapping Corruption Risks in Public Procurement: Uncovering Improvement Opportunities and Strengthening Controls Mapping Corruption Risks in Public Procurement: Uncovering Improvement Opportunities and*. *Public Performance & Management Review*, 0(0), 1–29. <https://doi.org/10.1080/15309576.2018.1535984>
- Sinuraya, C. G., & Rachmawati, T. (2017). *Does Icts Matters for Corruption? Asia Pacific Fraud Journal*, 1(1), 49. <https://doi.org/10.21532/apfj.001.16.01.01.04>
- Smith, C. (2016). *Detection of white-collar corruption in public procurement in Norway : the role of whistleblowers Petter Gottschalk **. 9(4).
- Solaiman, S. M. (2017). *“ Captured by evils ” - combating black money , corruption and money laundering in Bangladesh The dog must bark to keep predators away*. <https://doi.org/10.1108/JMLC-06-2017-0020>
- Stephan, A., Gamba, A., & Leslie, C. R. (2018). *LENIENCY , COLLUSION , CORRUPTION , AND WHISTLEBLOWING*. <https://doi.org/10.1093/joclec/nhx025>
- Sularso, H., Astogini, D., & Dewi, P. S. 2015. (n.d.). *PENCEGAHAN FRAUD PENGADAAN BARANG / JASA DAN*. 1–25.
- Tanaka, S. (2016). *Article information : 290–311*.
- Toule, E. R. M., Rencana, D., & Jangka, P. (2013). *EKSISTENSI ANCAMAN PIDANA MATI DALAM UNDANG-UNDANG TINDAK PIDANA*. 3(3), 103–110.
- Vaswani, M. (1997). *MAPPING CORRUPTION IN PROCUREMENT*. *Journal of Financial Crime Iss*,

5(1), 39–44.

- Vuković, V. (2019). Corruption and re-election : how much can politicians steal before getting punished? ☆. *Journal of Comparative Economics*, (December 2018), 1–20. <https://doi.org/10.1016/j.jce.2019.09.002>
- Williams-elegbe, S. (2018). *Systemic corruption and public procurement in developing countries : are there any solutions ?* 18(2), 131–147. <https://doi.org/10.1108/JOPP-06-2018-009>
- Xu, X., Sun, Z., Wang, L., Fu, J., & Wang, C. (2019). *A Comparative Study of Customer Complaint Prediction Model of Time Series , Multiple Linear Regression and BP Neural Network* A Comparative Study of Customer Complaint Prediction Model of Time Series , Multiple Linear Regression and BP Neural Network. <https://doi.org/10.1088/1742-6596/1187/5/052036>
- Databoks, (2019). <https://databoks.katadata.co.id/datapublish/2020/02/19/ragam-modus-korupsi-sepanjang-2019>
- Katadata, (2020). <https://katadata.co.id/berita/2020/01/08/ott-pertama-usai-revisi-uu-kpk-tangkap-bupati-sidoarjo>