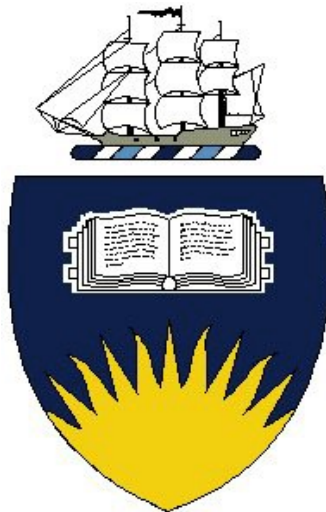


# **POLITICS OF ANTI-CORRUPTION IN INDONESIA**

**Thesis submitted to the School of International Studies in  
partial fulfillment of the requirements for the degree of  
Master of Asian Governance (MAGV)**



**By  
Ahmad Khoirul Umam  
Student ID Number: 2066951**

**School of International Studies,  
Faculty of Social and Behavioral Sciences  
Flinders University, Adelaide, South Australia  
July, 2010**

# TABLE OF CONTENTS

<b>Acknowledgements</b> .....	i
<b>Synopsis</b> .....	ii
<b>CHAPTER I.</b>	
<b>INTRODUCTION</b> .....	1
Anti-Corruption as Political Commodity.....	1
Century Bank Drama and the Betrayal of Commitment to Political- Judicial Reform.....	5
Methodology.....	11
Outline.....	12
<b>CHAPTER II. THE PARADOX DEMOCRACY IN RELATION TO THE POLITICS OF ANTI CORRUPTION</b> .....	13
Neo-Liberal Reform and Myth of Effective Anti Corruption.....	13
Pseudo-Democracy and the Failure of Anti-Corruption.....	19
Neo-Patrimonial Democracy and the Politics of Anti-Corruption.....	24
Conclusion.....	28
<b>CHAPTER III. ANTI-CORRUPTION IN POST-SOEHARTOINDONESIA</b> ..	30
The Problem of Neo-Liberalism and its Failure to Overturn Corruption.....	30
Fighting Decentralized Corruption.....	36
Compromised Anti-Corruption in the Yudhoyono Administration.....	38
Predatory Relations among Anti-Corruption Agencies.....	44
The Power of Political Will: The Experience from Asian Countries ....	47
Conclusion.....	51
<b>CHAPTER IV. THE POLITICS OF ANTI-CORRUPTION IN INDONESIA</b> ..	53
The Impact of the Global Financial Crisis in 2008 on Indonesian Politics.....	53
Lizard versus Crocodile: Anti-Corruption Agencies' Bloody	

Confrontation.....	60
The Inquiry Politization over the Century Bank Case.....	67
Conclusion.....	72

**CHAPTER V.**

<b>CONCLUSION</b> .....	74
<b>Bibliography</b> .....	81

**LIST OF TABLE**

Table 2.1. Projected Syndrome of Corruption.....	22
Table 3.1. Corruption Cases held by KPK January 2008- August 2009....	40
Table 3.2. Corruption Perception Index (CPI) Indonesia 2004-2008.....	40
Table 3.3. Comparative Data on Six Anti-Corruption Agencies in 2005...	49
Table 3.4. Transparency International’s 2008 Corruption Perception Index of Asia-Pacific Countries.....	49
Table 4.1. Amount of Bailout in Countries Affected by Crisis Country....	57

# CHAPTER I

## INTRODUCTION

**T**his study will examine the ‘political tsunami’ in Indonesia in relation to the Century Bank during the second term of the Yudhoyono’s administration. The Century scandal opened ‘Pandora’s box’ regarding the government’s commitment to fight corruption. This case emerged after the wave of criticism and political instability that weakened the Yudhoyono administration. This study will analyse democratic systems and the effectiveness of anti-corruption from the following positions: political, economic, and governance. This thesis will compare Indonesian to other political systems that enforce anti-corruption in developing countries. The purpose of this analysis will to highlight the strengths and weaknesses of Indonesian model.

### **I. Anti-Corruption as Political Commodity**

Attempts to eradicate the culture of corruption must inevitably deal with the reality that political reform has paradoxically opened up new various venues for corrupt practices. The wave of democratisation in Indonesia has been established to reflect a clean government, public accountability, transparency, and participation (Bunte and Ufen, 2009; Hadiz, 2003, Honna, 2006; Schiller, 2002, Malley, 2003). However, the increase of political competition, on both the national and local level as a result of decentralization, has created financial pressure or ‘high-cost politics’ encouraging the opportunities for acquiring corrupt activities. The

political behaviour consequently shifts from ideology-based politics to the 'radical pragmatism'-based politics (Fealy, 2009; Baswedan, 2004, Effendy, 1998, Liddle and Mujani, 2007), in which most of the political actors, including State governments, are more likely to use negotiations which are blatantly based on corruption, illegal deals, favouritism, as well as clientelism (Auyero, 2000; Villalon, 2007).

The corruption involving high-political leaders is rampant in the developing countries, either in the countries running an authoritarian political system or in those who claim to be democratic countries. In 2000 during the Taiwan presidential election, the opposition leader Chen Shiu Bian won the vote as a result of a split of factions within the Kuomintang (KMT) caused by the issue of abuse of party funds by key government leaders. Ironically, in 2009 Chen received a life sentence for embezzlement, bribery, and money laundering during his administration. In the Philippines, the toppling of Joseph Estrada's presidency in 2001 was convincingly attributed to the allegations of corruption (Gomez, 2005). In South Korea, the former President Roh Moo Hyun committed suicide in 2009 after his family presumably received US\$6 million through bribery funds. In the highly aid-dependent African countries such as Uganda under President Museveni, a ruling quasi-authoritarian government, corruption has undermined the government legitimacy and eroded the confidence of the political leadership. But the practices and other elite corrupt practices have remained untouchable and 'unsolvable' until now (Tangri and Mwenda, 2006: 102).

Anti-corruption has been addressed on various levels in different

countries. Watchdog agencies are mainly confined to small-scale cases, while the worst corruption is concentrated among powerful and high profile officials in the government, judiciary, police, military, parliament, as well as political parties. They are considered the 'big fishes' who are largely deemed untouchable and are generally protected by political immunity. In Thailand, the anti-corruption movement was powerless under authoritarian rule in which the civilian party system was not only trapped by factionalism, but also relied on corruption in building an electoral structure and a power base. Moreover, military control was equally corrupt. The political nature of authoritarianism forced business people to seek patrons from political leaders and top government officials to secure their businesses as well as access State rents. After following democratisation, business people followed the government either to take over the state's assets or to secure control of the government, such as Thaksin Shinawatra prior to his exclusion from administration (Gomez, 2005: 214).

In African countries, anti-corruption remains poor and ineffective. Most corruption cases investigated involve low-level government officials who are generally prosecuted. , However, the 'big fishes' create political resistance and bureaucratic barriers limiting their prosecution. When dealing with high-ranking political, governmental, and military leaders, the corruption eradication agencies are often powerless after pressure and manipulation by elite networks (Tangri and Mwenda, 2006: 106; United Nations Economic Commission for Africa, 2008). In South Korea, there is evidence that it has been effective in countering corruption. However, its

anti-corruption system still requires restructuring to overcome dysfunctional aspects of anti-corruption regarding accountability and responsibility. Conversely, Hong Kong consolidates its institutional base and has public support as it operates through a legitimate anti-corruption system (Choi, 2009; Kim, 2006). Similarly, Singapore's anti-corruption system is effective, despite that democracy does not exist in the country.

The links between democracy and the effectiveness of the anti-corruption movement in these developing countries indicates that the pivotal key of anti-corruption depends on a strong commitment by political leaders. The experience of Singapore under Prime Minister Lee Kwan Yew (Quah, 2003, 2009) and Hong Kong (Treisman, 2000; Lo, 1993) shows that political will and the determination of the political leaders to curb corruption are the fundamental principles that provide the resources, powers, independence, accountability mechanisms, and effective strategies required to eliminate corruption. Political will is needed to protect the effectiveness of the anti-corruption process. Since "the more effective the anti-corruption institution is perceived to be, the more it is likely to invite a backlash that could ultimately reduce its effectiveness" (Economist Intelligence Unit, 2009). When strong commitment is declared, many vested-interest groups are likely to undermine the anti-corruption movement to secure their interests, not least because they are potential targets of graft investigations.

Anti-corruption is often used as a political strategy leading up to elections, as it is a political issue. That is why the handling of high-level corruption cases tends to be political rather than addressing corruption

issues on a continuing basis. The anti-corruption processes are often driven by political objectives through political compromises (Treerat, 2005 in Tarling, 2005: 247, Indrayana, 2007; Tangri and Mwenda, 2006: 106; Hutchcroft, 1998; Sidel, 1999). As a consequence, the character of law enforcement in developing countries tends to be 'feudal', whereby the law is commonly identified as only touching 'little people' (*wong cilik*) and routinely fails to address elites, thereby creating 'selective logging practices' (*tebang pilih*) within the law enforcement system.

The level of democracy in each country is questionable when there continues to be links between the political will of high political leaders and the effectiveness of anti-corruption movements. Furthermore, there is a need to understand the nature of politics, the political structure, who controls power, and whose interests are threatened regarding anti-corruption movements when examining the quality of democracy in developing countries.

This thesis will explore further questions regarding this issue, in particular: Why established democratic system cannot guarantee of anti-corruption? Why some elements of democracy are indeed unfavourable to effective anti-corruption? How can anti-corruption movements be separated from political cooptation? Can political reform dismantle the network of judicial mafia in both civil and government bodies? Why do conflicts of watchdog agencies continue to emerge while they are under single coordination? What can the strengths of the anti-corruption movements be utilised more thoroughly? This paper will focus on the recent Indonesian case regarding the Century Bank as an example to



respond to the above questions in relation to contemporary anti-corruption models in developing countries.

## **II. Century Bank Drama and the Betrayal of Commitment to Political-Judicial Reform**

The candidates Susilo Bambang Yudhoyono and Boediono won the 2009 presidential election with 60 percent of electability, while Yudhoyono's Democrat Party (PD), also successfully multiplied its share of representative house seats from 8 percent in 2004 to 26 percent in the 2009 general election (KPU, 2009). The performance of the first Yudhoyono administration, particularly in his commitment to curb corruption through the Corruption Eradication Commission (KPK), created a positive public impression. The supported anti-corruption movement proved to be able to cross 'taboo boundaries' by prosecuting high-profile figures such as, governors, regents, mayors, prosecutors, and other leaders of state institutions, as well as, political parties, and certain judicial-mafia. Moreover, Yudhoyono's son's father in law, the former deputy governor of Bank Indonesia, Aulia Pohan, was also arrested on corruption charges several months before the presidential election, proving the 'zero tolerance' of anti-corruption law.

Towards their inauguration, Susilo Bambang Yudhoyono and Boediono led Indonesian next five years optimistically pledging their commitment to fight corruption and judicial mafia. The government's target also aimed to lift national economic growth to 7 percent per annum by 2014 (Basri, 2010). They held the majority of power in the parliament

after signing a political coalition contract with the Golkar Party and four Islamic political parties such as, National Awakening Party (PKB), National Mandate Party (PAN), the United Development Party (PPP), and the Prosperous Justice Party (PKS). Thus, the second Yudhoyono administration was convincingly predicted to proceed with far fewer political barriers than the first era.<sup>1</sup> Ironically, a several days after their inauguration in 20 October 2009, a 'political tsunami' unpredictably attacked the government causing a serious political crisis, in particular political distrust, and political disobedience among people and the coalitions. The political turmoil did not only shake national political stability, but also seriously impacted on economic instability, postponed investment to real sector, and the inconvenience of stock market caused by legal uncertainty (*Kompas*, November 19, 2009).

---

<sup>1</sup> Based on the data of General Election Commission (KPU) 2009, there are at least ten Islamic parties of 38 political parties totally competing in the latest election, either formally using Islam as ideology such as PKS, PPP, PBB, PKNU, and others or the Islamic nationalist parties using *Pancasila* as the ideology and relying on the Islamic identity to gain supporters such as PKB, PAN, PMB. The 2009 election's final result shows the ten Islamic parties just gained approximately 29 percent of the totally national vote, significantly decrease from 38 percent in 2004 and 37 percent in 1999. It is caused by the established parties' political defeats such as the United Development Party (PPP) reaching 5.2 percent of the vote or 6.7 percent in share of representative house seats, while the National Awakening Party (PKB) gained similar number of 5.2 percent votes also 5 percent seats, and the National Mandate Party (PAN) with 6.3 percent votes or 8.2 percent seats. Meanwhile, the progress has been achieved by the Prosperous Justice Party (PKS) only, gaining 8.2 percent of the votes or 10 percent seats, a slight increase comparing with 2004 election result with 7.34 percent. But that is actually a relatively stagnant achievement after its seriously loud campaigns and the massive political marketing strategically targeting 20 percent of the votes in 2009. PKS seems to reach its saturation point losing its spirit to keep up its momentum after a 600 percent vote jumping in 2004 election. On the other hand, the nationalist parties show various trends in which Democrat Party impressively reached 20.85 percent of the vote and 26 percent in share of representative house seats, about 300 percent increase comparing with the 2004 electoral result with 7.5 percent only. The two largest parties, both the Golkar Party and PDIP, dramatically plunged into the second and third level obtaining 14.45 percent votes or 18 percent seats and 14.03 percent votes only or 16 percent seats, a decrease of 7.3 percent and 4.5 percent respectively. Meanwhile the two new comer parties both the Great Indonesia Movement Party (Gerindra) and the People's Conscience Party (Hanura) successfully pass the 2.5 percent parliamentary threshold rule by respectively achieving 4.46 percent votes 4.6 percent seats and 3.77 percent votes or 3 percent seats.

The political conflict arose as a result of the bailout of Century Bank (CB). This act was authorized by the governor of Bank Indonesia Boediono, who was the vice president, and the Finance Ministry Sri Mulyani Indrawati who was concurrently the head of the Financial System Stability Committee (KKSK) when the global financial crisis emerged in 2008. Both Boediono and Sri Mulyani are well-known as influential and pivotal figures who influenced national economic development under the first Yudhoyono's administration. The bailout policy was purposed to prevent system-wide contagion effects of the 2008 global financial crisis (*Kompas*, December 22, 2009; *Detik.com*, Januari 19, 2010).

During the crisis, the Century Bank's liquidity reached its lowest levels of urgency. Between September-October 2008, its capital adequacy ratio fell from 2.4 percent to -3.5 percent which was far below the 8.0 percent standard set by Bank Indonesia (BI) as the central bank. The situation was taken into account by the governor of BI Boediono to classify CB as the failed bank. To avoid the system-wide contagion, as happened in the monetary crisis in 1997, the Finance Minister Sri Mulyani issued the bailout policy on November 21, 2008, which amounted to 689 billion rupiahs (US\$ 74 million) taken from Indonesia's Deposit Insurance Corporation (Finance Minister, 2010). Ironically, the cumulative disbursements of the bailout expense reached 5 trillion rupiahs at the end of the year and gradually increased to Rp 6.7 trillion in July 2009, during the general and presidential elections (*Kompas*, December 22, 2009).

As a result of this fateful decision, the government suffered political difficulties from two great dramas called *Cicak* (gecko) vs *Buaya*

(crocodile) and the political manoeuvre set up by the opposition. The decision was further problematised as a result of a disobedient coalition in the form of a special parliamentary committee (*panitia khusus* or *Pansus*) that took up a welcome chance to attack the government, and advance their interests, as well as to increase their bargaining position before the arbiter.

The first incident, the *Cicak vs Buaya*, radically wiped the sympathetic stories of Yudhoyono's strong commitment against corruption from the public memory. The drama was led by the confrontation between the National Police symbolized by a crocodile (*buaya*) and the Corruption Eradication Commission (KPK) symbolized as the gecko (*cicak*) related to the Rp 6.7 trillion bailout of Century Bank in 2008. The rivalry between the police (plus Attorney General Office) and the KPK became obvious when the National Police chief of detectives Commissaries General Susno Duadji remarked on the KPK's investigation by tapping his telephone conversations. . . , The media covered and bombarded the public with 'battle of words' expressed from both, each claiming that they were just implementing their job in the name of justice.

The turmoil escalated public criticism and gradually the collective sentiment moved against the police after Susno Duadji coined the phrase "*How dare a lizard challenge a crocodile*" to describe how powerful the police institution was in relation to the KPK. The situation worsened when the police made a controversial move by determining two KPK deputies -Bibit Samad Rianto and Chandra M. Hamzah- as suspects on October 15, 2009 and then arresting them on October 29, 2009 on allegations of

abuse of power and bribery. Due to a lack of solid evidence, the public increasingly became convinced that the two KPK deputies had been framed and intentionally criminalized. Furthermore, massive demonstrations occurred, and over one million Facebookers and anti-corruption communities across the country demanded their release and questioned the government's alignment (*Kompas*, November 19, 2009; Handayani, 2009).

To prove the accusations of the police elites' corruption and its criminalization of KPK deputies, the Constitutional Court then ordered KPK to play the recordings, as part of its judicial review of the law of KPK. What the Constitutional Court did is an outstanding breakthrough in Indonesia's legal history. Within hours of the hearing, police released Bibit and Chandra. At the same time, it was revealed that the police were protecting several parties involved in criminalisation. Meanwhile, the politicians in the legislative body tended to be ignorant and silent behind the pretext of avoiding legal intervention. The politicians seem to enjoy the conflict of anti-corruption agencies, since they had been KPK's target and were potentially targets of graft investigations themselves. That is why various attempts to weaken KPK was systematically done by the politicians during the end period of Yudhoyono's government, by issuing plans to reduce KPK's budget and to cut its authority of wiretapping and investigation.

Meanwhile, the silence of the government was claimed by the oppositions such as, the Indonesian Democratic Party of Struggle (PDIP), the Great Indonesia Movement Party (Gerindra) and the People's

Conscience Party (Hanura), because of the bailout funds had been utilized by the president and his allies to support political campaigns during the 2009 elections.<sup>2</sup> The issue was then used by the oppositions in parliament to criminalise the government's policy decisions. That was done to strategically tarnish the government's anti-corruption image and score political points to win the upcoming provincial, local, and national elections. Moreover, the opposition's manoeuvre was also tried to oust Sri Mulyani from the Financial Minister position and also to impeach the Vice-President Boediono, potentially encouraging a new problem of administrative law and constitution. The situation yielded an irregular national political configuration that exhibiting includes opportunistic political manoeuvres and predatory constellations.

The Century Bank cases were more political than an attempt to unearth legal facts. The conflict between the Golkar's newly-elected chairman, Aburizal Bakrie and Sri Mulyani was predicted as an impetus to the political turmoil. Sri Mulyani was well-known as a courageous person before Bakrie. In 2008 during the global financial crisis, Sri Mulyani decided to close the Indonesian stock exchange for three days on October

---

<sup>2</sup> It was issued that several parties received about Rp 1,8 trillion, such as the Indonesian General Election Commission (KPU) who received Rp 200 billions, then Yudhoyono's succession team like Indonesian Survei Institute (LSI) got Rp 50 billion, FOX Indonesia got Rp 200 billion, then Democrat Party received Rp 700 billion. Edhie Baskoro who was well known as Yudho'ono's son was also issued Rp 500 billion, then Hatta Radjasa who was also the leader of succession team and recently became the coordinating minister for the economy got Rp 10 billion, and the former commander of Indonesian national army Djoko Suyanto who became the coordinating minister for legal, political and security affairs got Rp 10 billion. Meanwhile, the trio brothers of Mallarangeng family involved in the team, like the former president's spokesman Andi Mallarangeng, recently became the minister for youth and sports affairs got Rp 10 billion, then Rizal Malarangeng got Rp 10 billion, and Choel Mallarangeng got Rp 10 billion, while the business woman and Democrat Party politician Hartati Murdaya received Rp 100 billion (*Primaironline*, 30 November 2009; *Jakartapress.com*, 2010; *Tribun Timur*, 2009).

2008 to save the domestic financial condition. Because of the policy, Bakrie companies suffered a loss of 30 percent of their value, causing Jakarta's composite index to drop by 20 percent. Sri Mulyani unwavering stance rejected Bakrie's request as the Coordinator Minister of People Welfare and one of the wealthiest persons in the country, to extend the closure and safeguard of his stocks (*Tempo*, 2009; *Rakyat Merdeka*, 2009).

The relation worsened when she was willing to announce the result of tax problem investigation over the Bakrie's companies, then forcing him to compensate the victims of his company PT Lapindo that was caused by the mudflow disaster in Sidoarjo, East Java, as well as opposing his plan to take over a large gold-mine in the West Nusa Tenggara. On the other hand, the president has a complex relationship with Bakrie after enjoying Bakrie's huge financial support during his first presidential election in 2004. Simply, without political support of Golkar and other four Islamic political parties, it will endanger Yudhoyono administration's credibility before people and the opposition in particular. Meanwhile, Boediono's current position as the Vice-President was also a strategic target for the other members of the coalition, since Boediono was a non-partisan figure making him easier to control.

In summary, since the beginning of the SBY's second administration, Indonesian political constellation has been predominantly coloured by the politics of anti-corruption where the issue of corruption was used as the 'political weapon' to target and attack the political opponents to win upcoming local or national elections. The increase of anti-corruption will

create good governance and a clean government in the country. But, at the same time, the reality of the anti-corruption movements hijacked by the elites' predatory interests making them political commodities can be inevitably fatal for the future trajectory of Indonesian democracy. The emergence of strong rumours of law cases barter between elites of the government and the opposition to set up 'win-win solutions' could undermine the spirit of law enforcement and make the prospect of Indonesian democracy and the anti-corruption agenda worse, more fragile, and brittle.

Indonesia can either create good governance and a clean government by combating corruption or it will become a failed democracy. Some are still optimistic and value the recent trend as just a temporal shock which can be overcome by engaging, educating and empowering people to enhance the basic principle of democracy and to control the elites' political behaviour (Haynes, 2001; Hadiz, 2003). In the period of transition towards democracy, represented by intensive interaction, confrontation, competition, as well as the compromising interests among apparatus, politicians and other societal actors, Indonesian politics has not achieved good quality of governance. Thus, continual political education is needed to deepen the quality of democracy.

After political consciousness is raised by the majority of society, democracy can be achieved when both leaders and the people collectively agree that a democratic system is better than any other alternative (Haynes, 2001: 11). Haynes explains that both the state apparatus and



the elites of society must willingly share power, as well as be willing to subordinate their own strategic objectives and conflict of interests for the common good. To achieve the goal as a corruption-free country, Heynes (2001: 12) reminded there are numerous factors and barriers such as, excessive executive domination, weak political leadership, failed structural reform, sectoral fragmentation, neo-patrimonial socio-political system, as well as weak political parties and civil society. These barriers must be overcome to root out corruption effectively as the basis of development for people and society.

### **III. Methodology**

The effectiveness of anti-corruption was evaluated by using empirical data and observations of society. The influence of political interests to the anti-corruption movements was observed from secondary sources such as. The media who played a key role in the political constellation related to the anti-corruption agenda. This research used secondary data as the bases for its analyses. The following steps were conducted:

1. Reviewed the available literature including: books, journal articles, working papers and conference papers focusing on the study of the relation between democracy and the effectiveness of anti-corruption movement, particularly in Indonesia. The literature reviews explored the theoretical complexities and compared developing countries anti-corruption agenda, with the current Indonesian context to

measure how effective the quality of anti-corruption was in Indonesia.

2. Collected empirical data and information which was used as evidence regarding the phenomena of anti-corruption politisation in Indonesia. This material was obtained from media coverage, news papers, magazines and the internet sources.

#### **IV. Outline**

The thesis consists of five chapters. The first chapter is an introduction which covers the background, methodology, and outline of the study. The theoretical framework of the study is discussed in the second chapter. It presents the disputes and theoretical complexity of the relation between the existence of democracy and the effectiveness of anti-corruption movements. The third chapter will focus on the comparison model of developing countries' strategies to fight corruption. It compares Indonesian to other examples such as, the lack of political will regarding anti-corruption in African countries, as well as, pseudo anti-corruption in Asian countries from East and Southeast Asian countries. Then, the last of this chapter will propose an ideal model of anti-corruption in Indonesia after comparing it to several other successful developing countries in anti-corruption.

The fourth chapter examines the case of Indonesia's politics on anti-corruption. It critically evaluates Cicak vs Buaya representing the institutional anti-corruption conflict between national Police and the Corruption Eradication Commission (KPK). The next part of this chapter

will correlate the drama of Cicak vs Buaya with the Century Bank bailout scandal. This chapter will chronologically outline the scandal and discusses the model of conflict and the weakness of anti-corruption strategies. Finally, chapter five concludes the study. This chapter also includes some recommendations for further research following from this study.\*\*\*

## CHAPTER II

# THE PARADOX DEMOCRACY IN RELATION TO THE POLITICS OF ANTI-CORRUPTION

This chapter will focus on the relationship between democracy and the aims of anti-corruption. Neo-liberal reforms play a key role in developing countries' public policies, including their strategies to address corruption. This chapter will discuss the impact of neo-liberal reforms in developing countries, as well as the impact of neo-patrimonialism on the politics of anti-corruption.

### I. Neo-Liberal Reform and Myth of Effective Anti-Corruption

Corruption eradication is a major problem in developing countries that has also been a concern of various international bodies. The Washington Consensus (1989) sponsored by the World Bank, International Monetary Fund (IMF), and the US Treasury Department set ten economic policy prescriptions to combat the current economic crisis.<sup>1</sup> The prescriptions are based on a neo-liberal framework that have transformed political and economic life,

---

<sup>1</sup> The Washington Consensus terminology initially was created by [John Williamson](#) (1989) to identify a set of ten economic policy prescriptions arranged in the [Washington, D.C.](#) which was purposed to be a reform package to overcome crisis-suffered by [developing countries](#). The ten recommendations are fiscal discipline, redirection of public spending from subsidies related to the broad based provision of key pro-growth, pro-poor services like primary education, primary health care, and infrastructure investment. Then, tax reform, interest rate, competitive exchange rates, trade liberalization, and foreign direct investment, privatization of state enterprises, deregulation, and also legal security for property rights (World Bank, 2000; Kitthananan, 2008; Stiglitz, 2002: 74).

as well as shaped the public policy process across developing countries (Robison, 2005: 18). Neo-liberal concepts have been imposed by international financial institutions in developing countries such as, the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO). The discourse of development in this post-colonial era has been dominated by the ideas of neo-liberalism promoted by those developed countries to encourage economic growth and to address poverty. The free market mechanisms are able to increase production and distribute commodities that are useful when addressing poverty (cited in *World Bank, 2000*).

Neo-liberal scientists responded to the economic crisis by proposing structural reforms based on economic management and governance principles of privatization, reduction of state power, administrative decentralization, deregulation, as well as the opening of domestic markets to foreign trade and investment (Colongan, 2003; Hofmann and Kaiser, 2002; USAID, 2006).

The neo-liberal reform agenda also includes three key components, namely economic liberalisation, good governance in public management, as well as, democratization to increase people's participation at all levels. In brief, the use of market mechanisms is arguably able to reduce the possibilities for public corruption by replacing the role of the State. Furthermore, the concept of good governance involving localising State power is also viewed as an effective measure as it encourages transparency and

accountability. This discourages corrupt practices within government operations. However, competition between political parties during elections, at both the local and national levels, also needs to be controlled in relation to corruption (Putzel, 1997; Ostrom, 1991; Oyugi, 2000).<sup>2</sup>

Identifying the causes of corruption allows for appropriate anti-corruption strategies and models to develop (Williams, 1987: 19; Scott, 1972: 3-4; Philp, 1997: 23-25; Theobald, 1990: 12; Williams, 1999: 504; World Bank, 2000: 12).<sup>3</sup> However, neo-liberal agencies are often viewed as lacking in an understanding of the concept of 'public interest' when formulating appropriate

---

2 For instance, in the highly aid-dependent African countries, as Lawson (2009) describes, the neo-liberal reform sponsored by international donors has campaigned at least two main approaches both structural and normative fronts. In the structural, the reform is strongly influenced by the market-centred definition of corruption which is close to the idea of 'rent-seeking' and the basic definition of corruption formulated by Robert Klitgaard (1988) where corruption is understood as 'the monopoly plus discretion minus accountability' ( $C = M + D - A$ ). Based on the definition, it means that to fight corruption, monopoly power must be swept out and competition enhanced. Discretion has to be limited, while rules of the game have to be clear. Accountability has to be improved via performance indicators and feedback from all elements of society and government. To reduce discretion, it needs the policies of privatization and deregulation, while the political and economic competition is believed able to eliminate the monopoly by encouraging political accountability with democratisation and by promoting administrative accountability with bureaucratisation. On the other hand, the normative approach emphasizes on the importance of public awareness on the corruption impacts. The awareness is not only needed to enforce moral and ethical standards among society to prevent corruption, but also to encourage public participation in checking and monitoring every decision making process in order to make the anti-corruption norms and the legal policies more efficient (Lawson 2009; McCoy & Heckel 2001; Villalón, 2007).

3 The World Bank (2000) stated that "asserts that the definition and causes of corruption are always contextual, rooted in a country's policies, bureaucratic traditions, political development, culture, and social history". What is perceived as corrupt and unethical in one culture might be categorized as a routine and normal transaction in another cultural context. In some Asian countries for instance, reciprocity and gift giving, which are usually identified as bribery in the Western society, have played a crucial role in the relationship between political authorities and citizens as a symbol of appreciation and respecting (Rose-Ackerman, 1999). That is why some theorists of culture and civilization like Fukuyama (1998), Huntington (1993), and Lipset and Lez (2000) identify some Asian countries, particularly under Confucian and Islamic culture, are not compatible with democracy and conducive for corruption.

understandings of corruption.<sup>4</sup> Bedirhanoglu (2007), in his research on the Turkey case for example, critiques neo-liberal responses to corruption as ahistoric, biased, and contradictory. He asserts that the neo-liberal discourse on corruption is just a means to empower market and capital flow, while 'public interest' is frequently redefined 'in line with transnational capitalist interests, while labelling all forms of non-market association of the people and the locally or nationally operating procedures with the state as the expression of private interest, hence as corrupt' (Bedirhanoglu, 2007: 1251).

Wayland (1998) in his research on the corruption under democracy in Latin American countries found a similar conclusion that 'the neo-liberal reforms have involved opening many areas of

---

<sup>4</sup> In a broad term, Bardhan (1997) and Robinson (1998) underline that corruption has been defined principally as an illegitimate and destructive public sector problem representing direct and brutal betrayal of public trust entrusted by people engage in malfeasance for individual enrichment. The similar framework emphasizing on the behaviour against public interest has been early popularized by Rogow and Lasswell (1963: 132) and Friedrich (1989). Nevertheless, the definition has been countered by Theobald (1990:5) and Scoot (1972:3) regarding to the ambiguity in identifying an objective terminology of 'public interest' which is potential to be politicised. The next critique has also been experienced by the public opinion approach popularized by Gibbons (1989: 169) defining corruption based on what the public assumes and thinks about it. The ambivalence in identifying who the exact 'public' is, having moral-political legitimacy to define what the corruption is. Meanwhile the legal-norms approach, understanding corruption as violate to particular rules and norms, also suffers the same thing. This approach is also accused as improper and vulnerable to predatory interest and manipulation of powerful political actors making the truth of the legal-norm relative and flexible for changing (Williams, 1987: 18; Sandholtz and Koetzle, 2000: 34). The framework disputes and wrestling in defining corruption tend to be endless. But, sometimes the acceptable general definition of corruption exists to reconcile the debates, in which definition is based on the 'public sense'. The idea is intuitive. When corruption is simply understood as the misuse of public power for private gain, it implicitly means that the citizens can intuitively detect which officials' behaviour is destructive or beneficial for them. The approach then emerges the concept of 'acceptable norms' which are potentially different based on the localities. Thus corruption is understood as deviant behaviour done by public officials against the 'commonly acceptable norms' which are prevalent or convinced to prevail, or political actions contrary to political norms (Friedrich, 1985: 15; Huntington, 1968: 59; Morris, 1991: 2).

the economy to corruption and bribe, especially those involving sales of public corporations' (Seligson, 2002: 430). Further research outlined by Sun and Johnston (2009) examined the role of democracy and economic liberalisation in checking corruption in India compared to China. They argued that, in fact, democratic and market liberalization ironically perpetuates corruption. Market liberalization in developing countries has deepened social inequalities economically.<sup>5</sup> The situation encourages tension due the scarcity of economic opportunities and political accessibility among the public, thus creating a space for tyranny. On the other hand, the elites enjoy privileges that are supported by their corrupt practices. Huntington (1968: 59-71 as cited in Sun and Johnston) states that 'where the political opportunities are more abundant than those for accumulating wealth, individuals are likely to abuse power in search of wealth. Where economic opportunities exceed the political, people tend to use wealth to seek power' (2009: 3).

Neo-liberalism does not eradicate corruption; conversely it supports it in terms of opportunities that emerge within a free market. Weberian modernisation theory emphasizes the rationalisation of authority, legal procedure and equality of outcome

---

<sup>5</sup> The neo-liberal ideas have been transferred to the financially distressed African, Asian, as well as Latin American countries as a part of development programs. By adjusting the neo-liberal concept, the countries have faced dramatic changes in their political and economic structure, in which their states' power have been deployed, the public authorities controlled by the superiority of market, and liberal free trade strengthened by the foreign investment has been encouraged. The dramatic changes were standardized with the neo-liberal economic prescription which later becomes the customary wisdom for the states apparatus. Ironically, few decades later after the implementation, poverty still becomes the endless and unsolved problem until now, threatening the countries towards failed states (Manor, 1995; Kiely, 2007).



and corruption has been defined as a cancer that can be managed by 'bureaucratisation' and 'modernisation' (Theobald, 1990: 21). Bureaucratisation can wipe out patrimonial administration. However, bureaucratisation is not able to guarantee improved administrative accountability. Sectoral fragmentation has often occurred instead after the bureaucratic autonomy has been implemented, undermining performance, and coordination of inter-state institutions' bureaucracies. As a result, administrative overlaps, partial actions, lack of inter-agency coordination and bloody conflicts among elites of anti-corruption agencies have been inevitable.<sup>6</sup> This approach was then challenged by the 'revisionist' re-evaluating the contribution of corruption to political-economic development.

Throughout the 1960s to 1980s, several academics and political-economists believed that corruption was beneficial as it minimised bureaucracy and policy discontinuity and allowed for an increase in business and investment (Theobald, 1990; Bardhan, 1997). Corruption has been identified as a mechanism that balances the market by providing more business opportunities. Moreover, as a result of trough lobbying and corruption, enable business groups to convince the government to support economic development

---

<sup>6</sup> When confrontations among elites of state institutions emerge, the assertive leadership style from the top leader of the government is definitely crucial to muffle the political turbulence threatening government's stability. If the top political leader of the administration tends to demonstrate an unassertive leadership and face-saving strategies over the confrontations, that will confuse the anti-corruption agenda instead and make internal resistance to anti-corruption reforms stronger. Beside that, in some cases, this approach has been also viewed potentially emerging radical changes making anti-corruption strategies relatively destructive over the economic development and political stability.

policies (Myrdal, 1968), and reduce uncertainty in business and investment (Leff, 1964). These ideas have been based on long-term political-economic calculations where industrialisation can be sustained by an innovative and efficient politics-business patronage (Leff, 1964). It has also been argued that business' economic benefit is able to cover the cost of corruption (Nye, 1989).

Merton (1957),<sup>7</sup> Huntington (1968), and Bayley (1967) acknowledged that corruption fuels the bureaucratic machine. Huntington (1968: 64) said that "corruption provides immediate, specific, and concrete benefits to groups which might otherwise be thoroughly alienated from society. Corruption may thus be functional to the maintenance of a political system in the same way that reform is". Corruption has also been recognized as the compromise where political parties' development encourages political participation, thereby maintaining political stability, and enforcing loyalty. Huntington (1968) states that limited corruption will support modernisation and economic development.

These arguments have been opposed by many researchers. Most of recent political scientists believe that corruption is destructive rather than beneficial. Chang and Chu (2006) said that

---

<sup>7</sup> Robert K. Merton (1957, 1968), in his *Social theory and Social Structure*, views corruption as the "grease" which is really beneficial to run bureaucracy in many countries. Beside that, still according to Merton, corruption is also convinced politically functional to increase the loyalty of citizens. Beside supported by Huntington, Merton's perspective had been also strengthened by many classical political scientist such as Heidenheimer, Johnston, and Le Vine (1989), Leys (1989) and others. According to Leys (2989: 57), based on the study in Africa, corruption is assumed as a natural practice serving the function of binding society together which is seriously needed in many developing countries. The assumption has been based on the simple reason that "the greater the corruption, the greater the harmony between corruptor and corruptee" (Leys, 1989: 54).

corruption has separated citizens from their rights of equality and fairness before the state institutions. Theobald (1990) argued corruption also inhibits the development of political parties and undermines political participation since the corrupt exchange is just enjoyed by a limited group of elites, while the ordinary people's interests are alienated from policy making processes. Furthermore, corruption erodes public trust, confidence, and government standing (Bowser, 2001; della Porta, 2000; Seligson, 2002: 408-33; Anderson and Tverdova, 2003: 104).

Neo-liberal reform cannot curb corruption and developing countries have had mixed results with such reforms. Public awareness on corruption should encourage people's willingness to turn against corruption by adhering to democratic system. Rose-Ackerman (1978: 216) stated that 'if one wants to understand the functioning democracy, it will not be possible to follow the conventional economist's inclination to ignore moral constraints upon self-seeking behaviour'.

Despite neo-liberal reforms and attempts to build governance, corruption remains high in developing democratic countries such as Indonesia. This highlights that democracy does not address corrupt practices and this will be discussed in the following.

## **II. Pseudo-Democracy and the Failure of Anti-Corruption**

It was expected after the third wave of democratisation of the

1970s and economic liberalisation since the 1980s such democratic countries as Indonesia would have suppressed corruption, improved governance, and promoted development.<sup>8</sup> There are at least two principles inherent within democracy, namely equality and openness, which are central to anti-corruption. Democracy supports citizens to demand accountability and transparency within governments. Democracy encourages accountability, independent judiciaries, political checking and balancing, freedom of press, and law enforcement. The 'higher the level of democracy the 'more effective are democratic institutions' in deterring corruption (Sandholtz and Kotzle, 2000: 38; Blake and Martin, 2006: 9). The research conducted by Hellman (1998) in post-communist countries also produces similar results in relation to the effectiveness of anti-corruption.

However, democracy does not guarantee the elimination of

---

<sup>8</sup> Democratisation is highly needed to establish governance from national to local level. That's why International donors such as IMF or the World Bank have suggested conducting decentralization to oppose centralistic political culture. In the centralistic system, various authoritarian governments are able to consolidate the power of patrimonial regime to control people and potential resources to the hands of the elites. The authoritarians often enforce their decisions and policies down to the local level make provincial, district, subs-district and village levels lose their roles. The centrally administration is a conducive nature for corruption and collusion in which states are openly hijacked by the hands of destructive clique (World Bank, 2000; Lal, 2000). The presence of decentralization is hoped to be an anti-thesis of centralism, strategically erodes the institutions of centralized authoritarianism. By fragmenting the central government's power and authority, decentralization is convincingly suggested as a solution to establish a democratic local government (Arghiros, 2001; Bardhan, 2002: 188). Conceptually, when democracy returns, local good governance will be more easily established since the local governments are set politically stronger up and more accountable when they are closer to the people. Thus the level of corruption can be minimized dramatically. In decentralized structure, government is also aimed to be more responsive to their citizens as having rights to make demands and express their aspirations on the state. When the system of democracy has been established, the attempts to shape society welfare as the main goal of democratic state would be more realistic and touchable.

corruption. The effectiveness of democratic institutions in eradicating corruption definitely relies on what Sandholtz and Kotzle (2000) calls the presence of 'democratic norms' or as also known as 'substantive democracy' that delegitimizes corruption through viewing it as improper behaviour (Ostrom, 1991; Oyugi, 2000; Putzle, 1997).<sup>9</sup> Even though many anti-corruption agencies and its legal instruments have been set up, without democratic norms deeply embedded in the social values and orientations, anti-corruption tends to be powerless and meaningless.<sup>10</sup> People will not care about investigating, publicizing, and prosecuting corrupt practices since the pervasiveness of corruption gives people little cause to feel guilty of their corrupt behaviour, thus self-perpetuating cycle of corruption (Lowson, 2009: 74).

Weyland (1998: 108-121) asserting that in Latin American countries, democracy has widened the opportunity for bribery. As a consequence, new 'veto players' and 'neo-populist leaders'

---

<sup>9</sup> Corruption eradication as part of governance building needs a substantive democracy emphasizing on the existence of democratic behaviour hold by the state actors and elements of society, rather than on the establishment of democratic institutions and mechanisms only. Democratic behaviour is the fuel of democracy. When the society has enough political awareness and knowledge strengthening rational political considerations, the betrayal of state apparatus on democracy by practicing corruptions can be avoided. That is why, when the anti-corruption strategies have been implemented, but not supported yet by the enough democratic behaviour, it will potentially emerge the phenomena of the 'shadow state' or "the emergence of rulers drawing authority from their abilities to control markets and their material rewards" (Reno, 1995: 1; Harris White, 1999). In the study of decentralisation, the shadow state has been viewed as the irony of governance occurs in many contexts such as in Sierra Leone, Africa, Bolivia, Colombia, West Bengal, several locals in India, including in several provinces in Indonesia (Crook and Sverrisson, 2001: 37; Johnson, 2001: 525).

<sup>10</sup> In the comparison study of democracy and decentralization in South Asia and West Africa, Crook and Manor (1998: 302-4) elaborates well how Karnataka and Kerala in India, successfully performs decentralization while other provinces are failed. The answer of the phenomena is located on the availability of a culture of accountability or democratic norms in the regions which are supported by the competitive political parties, free press, civil society, and others.

encourage corrupt practices during as political leaders.

The democratization trend will not improve the effectiveness of anti-corruption if not backed up by a developed economy. Sun and Johnston (2009) asserted the anti-corruption benefits of democracy rely critically on economic development, which is offers alternatives to corrupt exploitation. Sun and Johnston suggest that to achieve the goals of anti-corruption and improve governance, states should build the economy first, and then democracy will follow (Sun and Johnston, 2009: 16). The researchers examined India's democracy, which has not effectively eradicated corruption compared to China's authoritative system.

Under-developed economies have been viewed as undermining democracies' anti corruption strategies instead, encouraging pervasive, fragmented, and disruptive corrupt practices in the state (Sun and Johnston, 2009: 13).

The most successful anti-corruption practices exist in less democratic but economically developed countries. For instance in East Asia, Taiwan, and South Korea, are identified as less democratic, yet have yielded a low corruption index compared to Indonesia, Thailand, Philippines, Bangladesh, and Pakistan. The latter are more democratic, but the corruption index remains high. Democracy in under-developed economies is vulnerable to corruption. Without the balance between economic and political development, corruption will continue due to the combination of

market corruption,<sup>11</sup> elite cartel corruption,<sup>12</sup> oligarch and clan corruption,<sup>13</sup> official mogul corruption<sup>14</sup> (Johnston, 2008: 205-225).

<b>Syndrome</b>	Participation		Institutions		Country Example
	Political opportunities	Economic opportunities	State/society capability	Economic Institutions	
<b>Influence Market Corruption</b>	Mature Democracies, Liberalized, steady competition and participation	Mature markets, liberalized, open, steady competition, affluent	Extensive	Strong	Japan
<b>Elite Cartel Corruption</b>	Consolidating/reforming democracies, Liberalized, growing competition and	Largely liberalized and open, growing competition,	Moderate	Medium	South Korea

11 Influence Market Corruption will emerge in setting of society where the state institutions are as strong as markets' influence creating opportunities to make deals among market actors and public policy makers and implementers, while the politicians become middlemen. In this setting, the mature market democracies are well-institutionalized and productively provide both economic and political opportunities to establish strongly legitimate institutions. But the system still maintains corruption to support wealthy interests perpetuating corruption in the well-institutionalized market democracies where banks and investment markets actively participate in the laundering, corrupt practices, and illicit deals.

12 Elite Cartel Corruption emerges in the situation where politics and markets competitively collaborates before the weak state institutions. The elites of those elements may collude to support each other while the institutions' officials will become an instrument facilitating linkages to adopt the flux threatening the elites' interests. The corrupt linkages are constituted by various elements from business, military, politics, bureaucracy, ethnic and regional elites, or other bases. Those then may stabilize the elite cartel corruption practices in which the elites collude in the moderately strong institutional framework.

13 Oligarch and Clan Corruption occurs within the transitional, disorder and pervasively insecure societies where the political and economic liberalization has poor integrated networks. The political competitions are dominated by unclear actors whether politicians or entrepreneur having shallow social roots, seeking fast enrichment, buying supports, and enjoying the governments' authority fragmentation.

14 Official Mogul Corruption emerges in the setting of society where the state institutions and civil society are weak, while the economy is just liberalized and the politics is still undemocratic. In this context, military leaders hold important role which often tempted to take over the state power to set up political hegemony restraining the development of civil society.

<b>on</b>	participation	moderately affluent			
<b>Oligarch and Clan Corruption</b>	Transnational regimes, Recent major liberalisation; significant but poorly structured competition	New markets, Recent major liberalization; extensive inequality and poverty	Weak	Weak	Bangladesh, India, Malaysia, Nepal, Pakistan, Philippines, Thailand
<b>Official Mogul Corruption</b>	Undemocratic Little liberalization or openness	New markets, Recent major liberalization; extensive inequality and poverty	Weak	Weak	China, Myanmar

**Table 1. Projected Syndrome of Corruption (Johnston, 2008: 208)**

Huntington (1968: 59-71) argues for a balance between political and economic development in order to curb corruption. Huntington explained that control of corruption is not simply about the presence and absence of democracy, but rather a variety of issues and processes that relate to politics, state, society, market, and other functions of democracy. Democracy restrains corruption when it is managed by accountability, which is determined by elite autonomy, political accessibility, and equal opportunities. This has to be supported by an independent judiciary, free press, systems of transparency, freedom of association and speech. When political and economic opportunities are in balance, corruption can be suppressed. But, if elite autonomy and accessibility to power and wealth are out of balance, corruption will emerge. Insecure elites, combined with weak institutions and economic scarcity, will make democracy more vulnerable to corruption. The situation is more clearly illustrated in the patrimonial administrative or oligarchic



states.

In patrimonial administration, elements of democracy potentially collaborate with corrupt parties. The relationship between politicians and bureaucrats should support the democratic process. However, collusion between them has often ruined the political and democratic order. Politicians can authoritatively compel bureaucrats to approve their nefarious doings by promising political protection and opportunities to structural promotion, while bureaucrats also frequently instrumental in structural repositioning by supporting politicians regarding financial matters.

The relationship between politicians and business parties also frequently show a similar pattern, because of the lack of financial resources, politicians including their parties tend to be dependent (Gomez, 2005; Aspinall and Fealy, 2004; Erb, Sulistiyanto and Faucher, 2005; Sakai, 2002). The opportunity is often utilized by the business groups to gain patronage from political parties by financially contributing to the key actors and policy makers in the circle of power. The patronage network system is built to get protection and opportunities to multiply their business improvement. Fatally, the corrupt and collusive practices are commonly conducted by political predators in both government and by the opposition, through supporting systems that does not work properly.

In many Asian democracies, people tend to neutralize the negative effect of corruption. The phenomena of re-elected corrupt

politicians is frequent (Chang and Chu, 2006: 262). Corruption does not reduce political electability in Asian democracies as a strong, but powerful corrupt candidate is usually backed up by financial resources making them able to deliver incentives to voters. The phenomena occurs in many developing countries where the voter's behaviour is significantly influenced by their economic motives. That means there is a scarcity of economic opportunities due to decentralised political systems, both in the low and the top level of society.

However, as Bardhan (1997) argues, "in a highly corrupt society in which the marginal benefit of being corrupt outweighs the one of being honest, remaining corrupt is a stable equilibrium that is resistant to anti-corruption reforms." The situation undermines the rule of law and prolongs the cycle of corruption, where many corrupt elements have successfully adapted new rules and reconstituted themselves as democratic and pro anti-corruption actors. They achieve this by seeking loopholes in the rules to create new strategies to conduct corrupt practices. As a result, anti corruption efforts are compounded by their own involvement in corruption that is vulnerable to politisation, manipulation, and intervention. Ironically, these practices are fuelled by democratisation (Weyland, 1998: 108-21; Doig and Theobald, 1999: 37-63), or what Liddle (2007) and Aspinall (2005) call 'pretended or quasi democracy', while others classify it as 'predatory democracy' (Robinson, 2002; Hadiz, 2002), a 'façade or pseudo democracy' (Haynes, 2001: 5)

which are usually influenced by 'patrimonial democracy' (Webber, 2006).

### **III. Neo-Patrimonial Democracy and the Politics of Anti-Corruption**

Democracy as the instrument of anti-corruption has yielded mixed results. The absence of democratic norms leads to the presence of neo-patrimonial politics, where the state resources are freely utilized by patrons to secure the loyalty of clients which potentially undermines political institutions, rule of law and constitutes corrupt relations in politics. This corrupt nature is caused by the hijacking of state institutions, administrative and political systems for personal gains, which is opposed to the division of the private and public spheres (Theobald, 1982; Crouch, 1979; Webber, 2006).<sup>15</sup> Thus, the neo-patrimonialism has become the base of culture of clientelism and corruption, in which the clientelism will provide a political culture of impunity for corrupt government leaders.

In many developing countries, the number of corruption cases which are investigated and prosecuted by anti-corruption agencies has increased, but most of them consist of low-level government

---

<sup>15</sup> As stated by Chaikin (2001: 100) in Lamour and Wolanin (2001) that, in authoritarian countries (which is in some considerations close to the patrimonial system), it is difficult to distinguish between illicit assets and property lawfully belonging to the leaders. There is no distinction between head of state and the state itself while the regulation is adapted and set up to protect the leader's assets and interests. The leader may use rules to legitimise the economic plunder, then authorise the corruption. The phenomena has been seen by Chaikin (2001: 98) will emerge much more serious consequence when conducted by 'modern dictators'.

officials'. People not interested in statistics or the number of cases handled by anti-corruption agencies, but wants to see the "big fish" investigated and punished.<sup>16</sup> Collier (2000: 200) said that the 'big push' to shock corruption can be conducted by targeting its leading perpetrators or the 'big fish'. Collier argues that the successful prosecution and punishment of 'someone who is seen as a 'big fish' can lead to dramatic changes that embolden reformers, while simultaneously raising the risk of punishment for would be offenders' (2000: 203). Even though the presence of democracy emerges to strengthen such attempts, the decision to pursue the 'big fish' prosecution is an intrinsically elite-driven and political phenomenon which is significantly motivated by political desires to tarnish political competitors. Corruption maintains allegiances, is used to knockdown rivals, consolidate power, or purge potential threat from political rivals (Gillespie and Okruhlik, 1991: 90-91; Riley, 1998: 151).

Therefore, the strong parties winning political competition in the circle of power will determine the direction of anti-corruption policy and potentially undermine the principles of rule of law and social justice. The violations of law that can be sustained by political

---

<sup>16</sup> The 'big fish' is a symbol of high level officials consisting of top political, government, bureaucracy or military leaders. Chaikin (2001) provided many examples of the cases of top political leaders across the world such as: in Iran, the former Shah of Iran corrupted about US\$35 billion over 25 years of his polity which then defeated by Ayatollah Khomeini. In Philippine, the former President (1965-1986) Ferdinand Marcos misappropriated a huge amount of money which is noted by the Guinness Book of Records as the biggest thieves in history. In Haiti, the former President (1951-1986) Papa Doc Duvalier and his son misappropriated between US\$500 million and US\$ 2 billion, where during 1960-70, 877 percent of the government expenditure was enjoyed by Duvalier and his political supporters (Chaikin, 2001: 99).

forces within the government will become the new legal provisions. The phenomena are often in both neo-patrimonial democratic and authoritarian political systems, such as Tangri and Mwenda (2006) and Bayart (1993) which reveal the irony of anti-corruption in African countries. In the highly-aid dependent African countries, the anti corruption agencies have been instrumentalized by top government leaders to constitute political loyalty and consolidation by disciplining the followers to keep them within the ruling coalition and purging competitors perceived as a potential threat for the government to remain in power. As a 'hegemonic' function, in Gramscian terms, to establish a political order in the polity, the top political leader intervenes and determines who will be targeted or not targeted during anti-corruption investigations. The anti-corruption agencies have tended to be susceptible to political manipulation and the rule of law has been used to pursue the interests of predatory actors in the state.

The politics of anti-corruption is beneficial to raise public awareness and fight against corruption. Moreover, in several cases, the longer term anti-corruption reforms may succeed, despite being instrumentalised. But on the other hand, the political process of anti-corruption to pursue the truth and justice is also potentially hijacked by predatory interests (Hadiz and Robinson, 2006; 2004; 2005; (World Bank, 2000; Lal, 2000).

When handling corruption cases of the high-ranking political, governmental, and military leaders, the corruption eradication

agencies have often become powerless to face strong interventions, pressures and manipulations by elites' networks (Tangri and Mwenda, 2006: 106; United Nations Economic Commission for Africa, 2008). Hadiz (2006) argues that corruption tends to be difficult to fight since it is deeply embedded in the system of power relations. Hadiz constructively criticizes the neo-institutionalist scheme arguing that the neo-liberal reform is likely to produce technocratic good governance in order to curb corruption. In the reform process, Hadiz found that institutions of democracy and anti-corruption agencies have been appropriated and hijacked by predatory interests. The ruling elite cohesively reinforce their power to insulate themselves from scrutiny, by intensively intervening and manipulating the legal policy instruments (Tangri & Mwenda 2006; Collier, 2002). The elites can escape from public demands of prosecution due to political immunity, even though they are publicly viewed as corrupt. However, neo-patrimonialism in a quasi democracy is conducive to perpetuation of corruption due to the loopholes in the regulation.

Moreover, elites instrumentalize their political networks and propose judicial reviews to strip the anti-corruption agencies' power. For instance, they try to revoke the authority of wiretapping that is effectively proven to tape corrupt practices organised by high-level officials. Other strategies which are conducted to weaken anti-corruption agencies are; undermining fit and proper tests to elect the agencies' top leaders and hijacking the process to attach their

patronage that can be steered to serve their predatory interests. In the legislative body, the threatened elites and politicians also try to reduce the institution's budget to limit its actions (Government of Uganda, 2003; ICW, 2010; Yuntho, 2009).

In a neo-patrimonial democracy, the common reason used by the ruling bloc reluctantly prosecuting the 'big fish' is the issue of political stability, since the prosecution process will be too high as the political costs are seen to restrain the economic development process. To counter the discourse neglecting public awareness on the danger of corruption, it needs 'strong political opposition'. Since, without opposition, governments cannot be accountable. The oppositional movement must create public awareness as the base exists in order to generate 'democratic norms' (Villalon, 2007: 141). 'People power' is used effectively to encourage fundamental changes against predatory interests.<sup>17</sup>

Assertive political leadership is also pivotal to strengthening reform, particularly when anti-corruption institutions are weak and lack resources to prevent, expose, investigate, and punish corrupt

---

<sup>17</sup> Mc Adam, Tarrow, and Tilly (2001) in Djani (2009) define the people power as "the transgressive contention: cases of contention in which at least some of the parties to the conflicts are newly self-identified political actors employing innovative collective action or adopts means are either unprecedented or forbidden within the regime in question to making claims". The phenomena of people power, as Djani (2009) noted, often emerge in many occasions across the world such as the student movement (1968/1972) in West Europe, anti-military regime movement in Thailand (1973), EDSA revolution in Philippine (1986), Velvet revolution (1989) in Czechoslovakia, the Berlin wall collapse in 1989, student movement for reform in Indonesia (1998), Bulldozer revolution in Serbia (2000), EDSA II in Philippine (2001), Rose Revolution in Georgia (2003), Orange Revolution in Ukraina (2004), Tulip Revolution in Kyrgyzstan (2005), Cedar Revolution in Lebanon (2005), Jeans Revolution in Belarus (2006), PADS Movement in Thailand (2006, 2008) or recently emerges in the White Elephant country (2010), Saffron Revolution in Burma (2007), Green Revolution in Iran (2009).

practices. The commitment or political will of the top political leaders is the fundamental base to provide resources, powers, independence, accountability mechanisms, and effective strategies required to eliminate the 'extra-ordinary crime' (Quah, 2003, 2009; Treisman, 2000; Lo, 1993). To keep the assertive top political leadership in longer term, it needs to be escorted by the strength of civil societies, since corruption is able to be eradicated by the expectations of civil society.

However, the stories of anti corruption reform are mixed while its success cannot be achieved overnight. The fight against corruption is never complete while the politics of anti-corruption potentially reconstitutes new forms of corrupt practices as the real threat. The politics of anti-corruption may emerge as sectoral fragmentation and conflicts among the state institution elites undermine performance and coordination of inter-state institutions. Conflicts also potentially weaken anti-corruption agencies which are vulnerable to predatory interests. Next, the anti-corruption agencies must make serious attempts to improve their bargaining position before elites and other political powers rebuild institutional credibility.

#### **IV. Conclusion**

This chapter has examined neo-liberal reform that promotes economic liberalisation, good governance and democratisation to combat corruption. Democratic institutionalisation can curb



corruption, but requires democratic norms to be established within civil society, otherwise democracy is meaningless. Since the quasi or pseudo democracy perpetuates corruption itself, anti-corruption movements are potentially hijacked by the status quo who reconstitutes themselves as the democratic and pro-anti corruption.

Elite leaders find loopholes in every regulation and make perpetuate corruption. When the State is dominated by the status quo, the democratic institutions and anti-corruption agencies are highly vulnerable to intervention, manipulation, and political pressure. A commitment to anti-corruption agencies by top political leaders, pressure from civil society and progressive politicians, are pivotal factors to succeed the battle against corruption.

The next chapter will examine these phenomena in the context of Indonesia. The discourse of anti-corruption has been crucial in the Indonesian political landscape during the reform era signed by the toppled authoritarian Soeharto regime in 1998. It will be argued that a commitment by top political leaders is pivotal to strengthen the link between democracy and the effectiveness of anti-corruption. Thus, it will explore the impact of democratisation on the effectiveness of anti-corruption movement in Indonesia after the reform era. Anti-corruption in Indonesian will also be compared with several examples of effective anti-corruption in several Asian countries as appropriate strategies to combat corruption.\*\*\*

## CHAPTER V

### **Conclusion**

Anti-corruption in Indonesia is ineffective as demonstrated by the Century Bank drama that revealed the limitations of democracy. Whilst Indonesia is a democratic country, corruption is endemic. The nature of politics, the character of its political structure and the impact of corruption in Indonesia continue, despite its claim to be a democratic country.

Anti-corruption is purportedly a measure of democracy, yet good governance has not curbed corruption (Crook and Manor, 1998; Robison and Hadiz, 2004). Yet during 12 years of the reform era, Indonesia successfully experienced political and social transformation through fundamental reforms that were in line with democracy. Democratic elections were conducted; however corruption within political circles damaged such claims to democratic processes.

Democratic systems should demand accountability and transparency of the polity, and maintain the principles of equality. Democracy should be achieved through independent judiciaries, political systems, freedom of the press, and law enforcement. Arguably, democracy challenges and deters corruption (Sandholtz and Kotzle, 2000: 38; Blake and Martin, 2006: 9), however this has not been the case in Indonesia.

The 'lizard-crocodile confrontation' drama highlighted the nature of corruption in Indonesia that was controlled by personal and political interests. Reform agendas have been resisted by undemocratic parties

who support legal institutions that are corrupt. As a result, Indonesia's anti-corruption movement has been shaped by political favouritism, judicial manipulation, and pragmatic compromises that perpetuate the neo-patrimonial systems. Hadiz's (2006) critique from a Neo-Institutionalist perspective revealed that Indonesian's state institutions were hijacked by predatory interests. These interests were successfully reconstituted as democratic and pro anti-corruption efforts by government, judiciary, police, parliament, and political parties constituting the circle of the judicial mafia network which diminished the power of democracy and shook the State's institutional order.

Indonesia's 'lizard-crocodile confrontation' is one example of common problems faced by the countries use of multiple-anti-corruption agencies that were modelled like on China, India, and the Philippines (Quah, 2009). This strategy denies that there is no single agency that can effectively eradicate corrupt practices alone (Uwanno, 2001 in Tarling, 2001). It is argued that many watchdogs must be created to perform anti-corruption. Multiple agencies are expected to perform a sectoral approach that is efficacious and able to eradicate corruption effectively. A holistic strategy and comprehensive approach are required to make the multiple-agencies model work. By working synergistically, the agencies should be able to create a comprehensive system to identify appropriate strategies.

Nevertheless, the multiple anti-corruption agencies model is highly vulnerable to sectoral fragmentation, due to poor coordination, inter-agency competition and confrontations. Quah (2009) argues the Asia-Pacific countries should use a single anti-corruption agency to root out

corruption effectively. At this level, Indonesia actually tried to strengthen the single anti-corruption agency model by giving extraordinary power to the Corruption Eradication Commission (KPK). KPK was authorized to take over investigations and prosecutions conducted by Police and the AGO without intervention.

However, Indonesia's anti-corruption model was not effective as an anti-corruption agency as it was not completely free from other institutions. Until now, KPK was dependent upon the Police and the AGO for investigators, prosecutors, and other technical anti-corruption employees. Therefore, when the KPK officials decided to disclose the judicial mafia networks in the Police and the AGO institutions, they will be constrained by their own investigators. The General Police Susno Duadji's re-indoctrination to KPK's investigators who come from Police officials to be "loyal" to the Police institution rather than be traitors is the real example (*Tempo magazine*, November 16-22, 2009). The pressure and intervention prevented the KPK from exercising its powers of investigation and prosecution, especially at the highest levels of state institutions.

To overcome the problem, learning from CPIB in Singapore and ICAC in Hong Kong, the anti-corruption agency performed independency by replacing the seconded police officers or other skilled employees from other institutions who were permanent civilian investigators or prosecutors and were adept and skilled in using sophisticated undercover operations, intelligence, and information technology to make the anti-corruption strategies much more effective.

Anti-corruption in Indonesia is not only threatened by sectoral fragmentation among anti-corruption agencies, but also by neo-patrimonial politics that powerfully hijacks anti-corruption instruments for political gain. This was seen in the Century Bank rescue when elite politicians hijacking bullied reformist actors and drove them out of their positions within the government. The competitive political parties trapped the anti-corruption movements through a political quagmire by criminalizing reformist agents' policies in order to serve their political desires and to tarnish reformist actors. Parliament has changed itself from a democratic institution that uses mechanisms of political accountability for public interests, to a corrupt syndicate that has strengthened the foundation of the 'democratic kleptocracy'.

Democracy in Indonesia has been sabotaged by the vested interests of certain political leaders. Yet, they escape from public prosecution and enjoy political immunity. They support corruption in Indonesia through violations of the law which that are sustained by political forces. When the process of anti-corruption are motivated by political objectives, then law enforcement inevitably will be vulnerable to manipulation, intervention, and politization.

The ailing situation was exacerbated by the president's unassertive leadership. President is the main figure in the neo-patrimonial state using presidential system (Lawson, 2009). As the top political leader, the president played a crucial role to in supporting a climate for anti-corruption. Anti-corruption requires authority to maintain inter-agencies who require constant regulation.

The reason why anti-corruption agencies in Singapore and Hong Kong run effectively is because they are supported by strong leaders (Lamour, 2001; Uwanno: 2001). As stated by Quah (2003: 181), “political will is the most important prerequisite as a comprehensive anti-corruption strategy and will fail if it is not supported by the political leadership in a country”. A strong commitment will empower anti-corruption agencies to implement zero-tolerance towards corruption without fear and favour. Political will or the determination of the top political leaders to curb corruption is fundamental to eliminate corruption as they provide the resources, budget, powers, accountability mechanisms, and the effective strategies required. When the anti-corruption actions are politically supported by political leaders, the independence of anti-corruption agency in conducting investigation, prosecution, and punishment will be maintained. Conversely, when leaders are unassertive, anti-corruption agencies are vulnerable.

In Indonesia, Susilo Bambang Yudhoyono won 60 percent of electability in the 2009 presidential election and was backed by 75 percent of party coalition in the parliament, but the Yudhoyono administration still failed to powerfully push its authority to massively trigger the anti-corruption movements. Yudhoyono’s unassertive leadership style relied on a ‘face-saving’ approach rather than aggressively responded to corruption practices. Yudhoyono’s actions were influenced by the needs of his political imagery, but his unassertive approach endangered anti-corruption practices in Indonesia.

Whilst Yudhoyono successfully established public optimism by triggering an active and functional anti-corruption, he also failed to support the process. Yudhoyono weakened the anti-corruption movement when his interests were threatened. It is unclear whether Yudhoyono's unassertive leadership style was part of his political skill or incapacity to push his authority to effectively support the anti-corruption movements. His bargaining position as the main sponsor of the coalition was undermined by the ordinary members of coalition parties. Yudhoyono's Democrat Party (DP) cannot become a political anchor and as a result, the character of the coalition in the Indonesian political context is influenced by short-term interests, characterised by conflicting stances and instability.

The chairman of the Constitutional Court (MK) Prof. Mahfud MD (*Kompas*, February 27, 2010) stated that most of the democratic pillars have been pathological, while free press and civil society have been the healthiest pillars of democracy in Indonesia. The freedom of the press has been effective instrument in the anti-corruption movement in Indonesia. In the case of the KPK deputies and the Minister of Finance's policy criminalized by the Police and Parliament, the media revealed its power to undermine the corrupt institutions' vulnerabilities. By intensively bombarding the public the media successfully encouraged demonstrations as the symbol of public pressure. The presence of a critical view that educated the people was to weaken corruption (Kember, 2005). That was revealed when public moral support for KPK was not only organized by civil society figures, but supported through Facebook.

Dealing with inter-agency confrontation and bureaucratic battles are part of the process of government, but if uncontrolled it is destructive for the institutionalization of governance (McIntyre, 2007). Indonesia remains in transition towards democracy as it has not achieved quality governance (Kjaer, 2004: 155-157) due to the intensive interactions, confrontations, competitions, as well as, compromised interests among politicians and other social actors. However, to attain democracy it is necessary to educate and empower those engaged with anti-corruption in order for agencies to succeed in overturning corruption in Indonesia.

Political education is required to improve social capital in which social values, trust, norms, and networks are well-established to streamline the power structures of anti-corruption. An educated society should also be able to detect the 'good will' and the 'bad will' that threatens anti-corruption. In the political arena, where this knowledge is gray, the 'bad guys' can drive out the 'good guys' by pretending and reconstituting themselves as democratic and pro anti-corruption actors (Perdana, 2010). White (1994) and Kjaer (2004: 160) remind civil society that such politicians not always democratic and often marginalize other reformist groups.

This study recommends that:

- The ruling government must pay more attention to strengthen KPK's independence by restructuring the employee recruitment model. KPK must be authorized to implement independent recruitments for its skilled workers who can focus on the functions of investigation, prosecution, punishment, IT, intelligence and more. By replacing all



seconded officers from other legal institutions, KPK will be able to improve its bargaining position to disclose the mafia judicial networks and elite corruption.

- Strengthening the role of the media as the public watchdog will potentially keep in check the state legal institutions (AGO, Police, and Supreme Court) and the political parties who use corrupt practices. The freedom of press has always been controlled by contra-reform actors. The media has been threatened by criminal defamation that limits the media's authority. As stated earlier, the media is one of the healthiest democratic pillars in Indonesia that can effectively expose corrupt legal and political institutions. By highlighting to the public corrupt practices, the media is able to educate the public and thereby encourage 'people power' to overturn anti-corruption actions. The presence of a critical society is required to place political pressures on political leader to become support anti-corruption actions.
- Indonesia needs an assertive, brave, and intelligent leader to create an effective anti-corruption. Indonesia has failed in relation to anti-corruption due to poor political leadership. The strong leadership must be backed up by the strong political support in parliament. That is why the strong coalition in the Parliament must be set up well in order to avoid prolonged political turbulence. Development can be achieved only when the governmental stability maintained.

Whilst this study has focused on the president's role in relation to overturning corruption, it is also clear that there are other factors that are required to be addressed. Those that operate at the local level also need to be managed in relation to corrupt practices. This thesis however focussed on the politicians and those that are employed by the legal institutions on the national level. Further research is required to explore how corruption operates on the local level. In order to overturn corruption in Indonesia, it must be overturned on a national, as well as on a local level.

## Bibliography

- Anderson, Benedict, "The Idea of Power in Javanese Culture", in *Language and Power: Exploring Political Cultures in Indonesia* (1990), reprinted in Holt, Claire (ed), *Culture and Politics in Indonesia*, 1972.
- Anderson, Christopher J. and Yuliya V. Tverdova, "Corruption, Political Allegiances, and Attitudes toward Government in Contemporary Democracies", *American Journal of Political Science*, Vol. 47 (1), January 2003, pp. 91-109.
- AntaraneWS*, "Mayoritas Anggota DPR Memilih Opsi C", March 3<sup>rd</sup>, 2010. Can be accessed in: <http://www.antaraneWS.com/berita/1267633593/voting-pansus-century-memenangkan-opsi-c>
- Arianti, Vidia, 'Privatisasi Air di Indonesia: Saran Pelaksanaan dengan Berkaca dari Pengalaman Negara Lain', *Jurnal Politik Internasional*, Vol. 7 (1), 2004, pp. 18-34.
- Aspinall, E., "Elections and the Normalization of Politics in Indonesia," *South East Asia Research*, 13 (2), 2005, pp. 117-56.
- Aspinall, Edward and Greg Fealy (eds), *Local Power and Politics in Indonesia*, Singapore and Canberra: Institute of Southeast Asian Studies and Research School of Pacific and Asian Studies, the Australian National University, 2003.
- Auyero, Javier, *poor People's Politics: Peronist Survival Networks and the Legacy of Evita*, Durham, Duke University Press, 2000.
- Bardhan, Pranab, "Corruption and Development: A Review of Issues", *Journal of Economic Literature* XXXV, September 1997, pp. 1320-46.
- Basri, Faisal, "Bahaya Terselubung dari Mundurnya SMI", *Kompas*, May 10, 2010. See in: <http://bisniskeuangan.kompas.com/read/2010/05/10/08401150/Bahaya.Terselubung.dari.Mundurnya.SMI>
- Baswedan, Anies, *Sirkulasi Suara Dalam Pemilu 2004*, Circulation of Votes in the 2004 Election, unpublished, 2004.
- Bayart, J.F., *The State in Africa: the Politics of the Belly*, New York, Longman, 1993.
- Bayley, David, "The Effect of Corruption in a Developing nation", *Western Political Quarterly*, Vol. 19 (4), 1967, pp. 719-32.

Bayuni, Endy M., "[Commentary: Wanted: Big Foot for finance minister](http://www.thejakartapost.com/news/2010/05/14/commentary-wanted-big-foot-finance-minister.html)", *The Jakarta Post*, May 14, 2010. See that in: <http://www.thejakartapost.com/news/2010/05/14/commentary-wanted-big-foot-finance-minister.html>.

*Berita Indonesia*, "Jaksa Enam Milyar", May 1, 2008. In: <http://www.beritaindonesia.co.id/berita-utama/jaksa-enam-milyar/>

Blake, Charles H. and Martin, Christopher G., 'The dynamics of political corruption: Re-examining the influence of democracy', *Democratization*, Vol. 13 (1), 2006, pp. 1-14

Bowser, Donald, "Corruption Trust, and the Danger to Democratisation in the Former Soviet Union", in *the Transition: Essays on Post Communism*, ed. David Lovell, London, Ashgate Publishers, 2001.

Brown, Rajeswary Ampalavanar, "Indonesian Corporations, Cronism, and Corruption", *Modern Asian Studies*, Vol. 40 (4), 2006, pp. 953-992.

Bunte, Marco and Andreas Ufen, *Democratization In Post-Suharto Indonesia*, New York, Routledge, 2009.

Burns, John P., "Civil Service Reform in China", *Asian Journal of Political Science*, Vol. 2 (2), December 1994, pp. 429-455.

Chaikin, David A., "Controlling Corruption by Heads of Government and Political Elites" in Lamour, Peter and Nick Wolanin (ed), *Corruption and Anti-Corruption*, Canberra, Asia Pacific Press; Australian Institute of Criminology, 2001.

Chang, Eric C. C. and Yun-han Chu, "Corruption and Trust: Exceptionalism in Asian Democracies?", *The Journal of Politics*, Vol. 68 (2), May 2006, pp. 259-271.

Choi, Jin Wook, "Institutional Structure and Effectiveness of Anti-Corruption Agencies: A Competitive Analysis of South Korea and Hong Kong", *Asian Journal of Political Science*, Vol. 17 (2), August 2009, pp. 195-214.

Collier, M., ' Explaining Corruption: an Institutional Choice Approach', *Crime, Law and Social Change*, Vol. 38 (1), 2002, pp. 1-32.

Collier, P., "How to Reduce Corruption", *African Development Review*, Vol. 12 (2), 2000.

Colongan, J.A., 'What is happening on the ground? The progress of decentralization', in E. Aspinall and G. Fealey (eds), *Local Power and Politics in Indonesia: Decentralization and Democratization*, Singapore,

Institute of Southeast Asian Studies, 2003.

Crook, Richard C. and Sverrison, Alan Sturla, *Decentralisation and Poverty Alleviation in Developing Countries: A Comparative Analysis or, Is West Bengal Unique?* IDS Working Paper 130, Brighton, Institute of Development Studies at the University of Sussex, 2001.

Crouch, Harold, "Patrimonialism and Military Rule in Indonesia", *World Politics*, Vol. 31 (4), July 1979, pp. 571-587.

Davidson, Soren, Vishnu Juwono, and David G. Timberman, *Curbing Corruption in Indonesia 2004-2006*, USINDO and CSIS, Jakarta, 2006.

della Porta, Donatella, "Social Capital, Beliefs in Government and Political Corruption" in *Disaffected Democracies: What's Trubling the Trilateral Countries?* Eds, Susan Pharr and Robert Putnam, Princeton, Princeton University Press, 2000.

*Detik.com*, "Politisi PD Ancam Bubarkan KPK", April 25, 2009. Can be seen in: <http://us.detiknews.com/read/2008/04/25/133033/929433/10/politisi-pd-ancam-bubarkan-kpk>

*Detik.com*, "Ramai-ramai Menerbitkan Buku Putih Bank Century", 19 Januari 2010, accessible in: <http://us.Detikfinance.com/read/2010/01/19/124845/1281495/5/ramai-ramai-menerbitkan--buku-putih--kasus-century>

*Detik.com*, "Antasari Sesalkan Kejaksan yang Umumkan Status Tersangka", May 2, 2009. See in: <http://us.detiknews.com/read/2009/05/02/143121/1125127/10/antasari-sesalkan-kejaksan-yang-umumkan-status-tersangka>

Djani, Luky, "People Power dan Pergantian Rezim", *Liputan6.com*, November 26, 2009. See in: <http://pemilu.liputan6.com/kolom/200911/252457/.People.Power.dan.Pergantian.Rezim>

Doig, Alan and Robin Theobald (eds), *Corruption and Democratization*, London, Frank Cass, 1999, pp. 37-63.

Effendy, Bachtiar, *Islam dan Negara: Transformasi Pemikiran dan Praktik Politik Islam di Indonesia*, Jakarta, Paramadina, 1998.

*Erabaru.net*, "Kasus Century: Perampokan Uang Negara", January 8, 2010. See in: <http://erabaru.net/nasional/50-jakarta/9248-kasus-century-perampokan-uang-negara>

Erb, M. and Priyambudi Sulistiyanto (ed), *Deepening Democracy in Indonesia; Direct Elections for Local Leaders (Pilkada)*, Singapore,

ISEAS, 2009.

Erb, Maribeth, Priyambudi Sulistiyanto and Carole Fucher (eds), *Regionalism in Post-Suharto Indonesia*, London and New York, RoutledgeCurzon, 2005.

Fatah, Eep Saefulloh, "Kriminalisasi", *Kompas*, November 3, 2009. See in: <http://gagasanhukum.wordpress.com/2009/11/05/kriminalisasi/>

Faucher, Carole, "Regional Authonomy, Malayness and Power Hierarchy in the Riau Archipelago". In *Regionalism in Post-Suharto Indonesia*, edited by M. Erb, P. Sulistiyanto, and C. Faucher, London, RoutledgeCurzon, 2005.

Fealy, Greg, 'Indonesia's Islamic Parties in Decline', *Inside Story*, 11 May 2009.

Finance Ministry of Republic Indonesia, *The Government's Effort in Preventing and Managing the Crisis*, Jakarta, Ministry of Finance, 2010.

*Forbes*, "[The 100 Most Powerful Women - #23 Sri Mulyani Indrawati](http://www.forbes.com/lists/2008/11/biz_powerwomen08_Sri-Mulyani-Indrawati_VW20.html)", edition August 27, 2008. See in: [http://www.forbes.com/lists/2008/11/biz\\_powerwomen08\\_Sri-Mulyani-Indrawati\\_VW20.html](http://www.forbes.com/lists/2008/11/biz_powerwomen08_Sri-Mulyani-Indrawati_VW20.html).

Friederich, C.J., "Corruption Concepts in Historical perspective", in *Political Corruption: A Handbook*, edited by A.J. Heidenheimer, M. Johnston, and V.T. LeVine, New Brunswick, NJ, Transaction, 1989.

*Frontline*, "The Crash," Broadcast June 29, 1999. Transcript at: Can be accessed in: [www.pbs.org/wgbh/pages/frontline/shows/crash/etc/script.html](http://www.pbs.org/wgbh/pages/frontline/shows/crash/etc/script.html)

Fukuyama, Francis, "Asian Values and Civilization", paper presented in the ICAS Fall Symposium "Asia's Challenges Ahead", University of Pennsylvania, 1998.

Gillespie and Okruhlik, "The Political Dimensions of Corruption Clean ups: a framework for Analysis", *Comparative Politics*, Vol. 24 (1), 1991.

Gomez, Edmund T. Ed, *Political Business in East Asia*, London: Routledge, 2002.

Gomez, Edmund T., "The State, Governance, and Corruption in Malaysia", in Tarling, Nicholas, *Corruption and Good Governance in Asia*, New York, Routledge, 2005.

Government of Uganda, *Proposals for Amendment of the Constitution*, Entebbe, Government Printer, 2003.

- Hadiz, Vedi and Richard Robinson, "Neo-liberal Reforms and Illiberal Consolidations: The Indonesian Paradox" *Development Studies*, Vol. 41 (2), 2005, pp. 220-241.
- Hadiz, Vedi, "Corruption and Neo-liberal Reform: Markets and Predatory Power in Indonesia and Southeast Asia" in Robinson, Richard (ed), *The Neo-Liberal Revolution; Forging the Market State*, London, Palgrave Macmillan, 2006, pp.79-97.
- Hadiz, Vedi, "Decentralization and Democracy in Indonesia; A Critique of Neo-Institutionalist Perspective", *Development and Change*, Vol. 35 (4), 2004, pp. 697-718.
- Handayani, Primastuti, "a Betrayal of Commitment to Institutional Reform", *The Jakarta Post*, 6 November 2009. See in: <http://www.brudirect.com/index.php/The-Jakarta-Post/a-betrayal-of-commitment-to-institutional-reform.html>
- Harahap, Rudy M., "Strategies for Preventing Corruption in Indonesia", *Asia Pacific School of Economic and Management Working Papers*, Asia Pacific Press of ANU, Canberra, 1999.
- Haris, Syamsudin, "Komitmen, Bukan Hanya Pidato", *Kompas*, November 17, 2009. See in: <http://www.ahmadherawan.com/opini-media/sosial-politik/8222-komitmen-bukan-hanya-pidato.html>
- Harris White, B. *How India Works: The Character of the Local Economy*, Cambridge Commonwealth Lectures, 1999.
- Hellman, J., "Winners Take All: The Politics of Partial Reform in Post-Communist Transitions", *World Politics*, Vol. 50, 1998, pp. 203-235.
- Heynes, Jeff (eds), *Democracy and Political Change in the Third World*, London and New York, Routledge/ECRP Studies in European Political Science, 2001.
- Hidayat, Syarif, "*Pilkada*, Money Politics and the Dangers of Informal Governance Practices" in Erb, M. and Priyambudi Sulistiyanto (ed), *Deepening Democracy in Indonesia; Direct Elections for Local Leaders (Pilkada)*, Singapore, ISEAS, 2009.
- Hill, Hal, *The Indonesian Economy in Crisis: Causes Consequences and Lessons*, Institute of Southeast Asian Studies, Singapore, 1999.
- Hinton, Patrick, "The Start of the Global Financial Crisis (2008)", [Timeline of Events in September 2008 Causing the Global Recession](http://mortgagesloans.suite101.com/article.cfm/the_start_of_the_global_financial_crisis), January 4, 2009. See in: [http://mortgagesloans.suite101.com/article.cfm/the\\_start\\_of\\_the\\_global](http://mortgagesloans.suite101.com/article.cfm/the_start_of_the_global_financial_crisis)

[I\\_financial\\_crisis\\_2008#ixzz0sN49ht63](#)

Hoffmann, B. and Kaiser, K., 'The Making of the Big Bang and its aftermath: A Political Economy Perspective', paper presented at the conference 'Can Decentralization Help Rebuild Indonesia?', Atlanta, Georgia, 2-3 May 2002. Online available in: <http://www1.worldbank.org/eap>

Honna, J., "Local Civil-Military Relations in Indonesia during the First Phase of Democratic Transition 1999-2004, A Comparison of West Central and East Java", *Indonesia*, 82 (3), 2006, pp. 75-96.

Huntington, Samuel P., "The Clash of Civilizations", *Foreign Affairs*, Vol. 72 (3), Summer 1993, pp. 22-49.

Huntington, Samuel, *Political Order in Changing Societies*, New haven, CT, Yale University Press, 1968.

Hutchcroft, Paul D., *Booty Capitalism: The Politics of Banking in the Philippines*, Ithaca, New York, Cornell University Press, 1998.

Indonesia Corruption Watch, *Tolak RPP Penyadapan: Babak Baru Upaya Melemahkan KPK*, Jakarta, ICW, 2009. See in: [http://anggara.files.wordpress.com/2009/12/rilis\\_penysadapan\\_icw.pdf](http://anggara.files.wordpress.com/2009/12/rilis_penysadapan_icw.pdf)

IMF, *Recovery from the Asian Crisis and the Role of the IMF*, June 2000. Accessible in: <http://www.imf.org/external/np/exr/ib/2000/062300.htm>

Indrayana, Deny, "Penegakan Hukum Indonesia Masih Feodal", *Jawa Pos*, 3 June 2007. See in: <http://www.rakyatmerdeka.co.id/wan/hal/50/view/11/Denny-Indrayana:-Hukum-Kita-Feodal>

*Inilah.com*, "Petieskan Century, Golkar Gali Kubur", May 7, 2010. See in: <http://www.inilah.com/news/read/politik/2010/05/07/519401/petieskan-century-golkar-gali-kubur/>

*Jakarta Globe*, "Indonesia's Global Corruption Perception Ranking Lifts to 111<sup>th</sup>", November 17, 2009. See in: <http://thejakartaglobe.com/home/indonesias-global-corruption-perception-ranking-lifts-to-111th/342155>

*Jakartapress.com*, "Dana Century dari PT AJP Mengalir ke Demokrat?" 16 February 2010. Can be accessed in: <http://www.jakartapress.com/www.php/news/id/11588/Dana-Century-dari-PT-AJP-Mengalir-ke-Demokrat.jp>

Johnson, Craig, "Local Democracy, Democratic Decentralization and Rural Development: Theories, Challenges, and Options for Policy",



- Development Policy Review*, Vol. 19 (4), 2001, pp. 521-532.
- Johnston, Michael, "Japan, Korea, the Philippines, China: Four Syndromes of Corruption", *Crime Law Social Change*, Vol. 49, 2008, pp. 205-223.
- Kember, James, "Corruption and Anti-Corruption" in Tarling, Nicolas, *Corruption and Good Governance in Asia*, New York, Routledge, 2005.
- Kiely, Ray, 'Poverty Reduction Through Liberalisation? Neoliberalism and the Myth of Global Convergence', *Review of International Studies*, Vol. 33, 2007, pp. 415-434.
- Kim, J.G., *National Integrity Systems; Transparency International Country Study Report of the Republic of Korea 2006*, Berlin, Transparency International, 2006.
- King, Dwight Y., "Corruption in Indonesia: A Curable Cancre?", *Journal of International Affairs*, Vol. 53 (2), Spring 2000, pp. 603-624.
- Kitthananan, Amornsak, 'Developmental States and Global Neoliberalism', in Kennett, Patricia (Ed.), *Governance, Globalization and Public Policy*, Cheltenham, Edward Elgar, 2008.
- Kjaer, A.M., "Governance in Comparative Politics II: Theories of Democratization", in *Governance*, Polity Press, Cambridge, 2004.
- Klitgaard, R. "Corruption: Beyond Shame, Apathy, Futility", paper presented at the book launch of *Membasmi Korupsi*, Jakarta, 17 September. Klitgaard, R, *Controlling Corruption*, University of California Press, California, 1998.
- Klitgaard, Robert, *Controlling corruption*, Berkeley, University of California Press, 1988.
- Kompas*, "Apakah Benar Bank Century Merupakan Bank Gagal yang Berpotensi Sistemik ?", August 31, 2009. See in: <http://umum.kompasiana.com/2009/08/31/apakah-benar-bank-century-merupakan-bank-gagal-yang-berpotensi-sistemik/>
- Kompas*, "Berbahaya, Kekuasaan yang Terlalu Besar Tanpa Kontrol", June 25, 2009. See in: <http://cetak.kompas.com/read/xml/2009/06/25/0300544/berbahaya.kekuasaan.yang.lalu.besar.dan.tanpa.kontrol>.
- Kompas*, "Berulang kali , Boediono Samakan Situasi Krisi 2008 dan 1997", 22 December 2009. <http://nasional.kompas.com/read/2009/12/22/14523564/Berulang.Kali..Boediono.Samakan.Situasi.Krisi.2008.dan.1997>

*Kompas*, "Boediono Tak Sepakat dengan Audit BPK soal Century", 22 December 2009. See in: <http://properti.kompas.com/read/2009/12/22/12171350/Boediono.Tak.Sepakat.dengan.Audit.BPK.soal.Century>

*Kompas*, "Cicak vs Buaya di Bundaran HI", 19 November 2009. See in: <http://megapolitan.kompas.com/read/2009/11/19/15332335/cicak.vs.buaya.di.bundaran.hi>

*Kompas*, "Imbas Cicak Buaya, Investasi Miliaran Dollar Tertunda", 19 November 2009. See in: <http://bisniskeuangan.kompas.com/read/2009/11/19/03353759/investasi.tertunda.miliaran.dolar>.

*Kompas*, "Komisi III: Aneh, Kejaksanaan yang Umumkan Status Antasari", May 2, 2009. See in: <http://nasional.kompas.com/read/2009/05/02/11452298/komisi.iii.aneh.kejagung.yang.umumkan.status.antasari>

*Kompas*, "KPK Dipaksa Libur oleh DPR", May 7, 2009. Can be accessed in: <http://nasional.kompas.com/read/2009/05/07/17332320/kpk.dipaksa.libur.oleh.dpr>

*Kompas*, "Kronologi di Balik Penyelamatan Century versi Boediono ", 22 December 2009. See in: <http://nasional.kompas.com/read/2009/12/22/15505353/Kronologi.di.Balik.Penyelamatan.Century.Versi.Boediono.1>

*Kompas*, "Penyelamatan Century, Skenario Selamatkan Perbankan Nasional", 22 December 2009. <http://bisniskeuangan.kompas.com/read/2009/12/22/13413669/Penyelamatan.Century..Skenario.Selamatkan.Perbankan.Nasional>

*Kompas*, "SMI Mundur, Golkar Petieskan Century", May 6, 2010. See in: <http://nasional.kompas.com/read/2010/05/06/13512080/SMI.Mundur..Golkar.Petieskan.Century>

KPK, "Bring Indonesia Free from Corruption", 2004 Annual Report of KPK, Jakarta, KPK, 2004. See in: [http://www.kpk.go.id/uploads/PDdownloads/Laptah\\_KPK\\_2004.pdf](http://www.kpk.go.id/uploads/PDdownloads/Laptah_KPK_2004.pdf)

KPK, "Perjuangan Korupsi Tak Pernah Berenti", 2009 Annual Report, Jakarta, KPK, 2009. See in: [http://www.kpk.go.id/uploads/PDdownloads/Laptah\\_KPK\\_2009.pdf](http://www.kpk.go.id/uploads/PDdownloads/Laptah_KPK_2009.pdf)

*KPU.go.id*, "Perolehan Jumlah Kursi Partai Politik di DPR RI Periode 2009-2014" 9 September 2009. Can be seen at: [http://mediacenter.kpu.go.id/images/mediacenter/Nia/PDF/perolehan\\_kursi\\_parpol2.pdf](http://mediacenter.kpu.go.id/images/mediacenter/Nia/PDF/perolehan_kursi_parpol2.pdf)[http://mediacenter.kpu.go.id/berita/859-kpu-tetapan-](http://mediacenter.kpu.go.id/berita/859-kpu-tetapkan-)

[caleg-terpilih-anggota-dpr-dpd-ri-periode-2009-2014.html](#)

Lal, Deepak, *The Poverty of Development Economics*, Delhi, Oxford University Press, 2000.

Lawson, Letitia, "The politics of Anti-Corruption Reform in Africa ", *Modern African Studies*, Vol. 47 (1), 2009, pp. 73-100.

Leahy, Christ, "[Minister of Finance of the year 2006: Dr Sri Mulyani Indrawati](#)", *Euromoney*, September 2006. See in: <http://www.euromoney.com/Article/1079138/Title.html?Type=Article&ArticleID=1079138>.

Leff, N.H., "Economic Development through Bureaucratic Corruption", in *Political Corruption: A Handbook*, edited by Arnold, J. Heidenheimer, M. Johnson, and V.T. LeVine, New Brunswick, NJ, Transaction, 1964, 1989.

Leys, Colin, 1989, "What is the Problem about Corruption?" in *Political Corruption: A Handbook*, edited by Arnold, J. Heidenheimer, M. Johnson, and V.T. LeVine, New Brunswick, NJ, Transaction, 1989.

Liddle, R. William and Saiful Mujani, *Islamist Parties and Democracy: the Indonesian Case*, Working paper, Ohio State University, 2007.

Lijphart, Arend, ed, *Parliamentary versus presidential government*, Oxford, Oxford University Press, 1992.

Lindsey, Timothy, "From Rule of Law to Law of the Rulers- to Reformation?", in Timothy Lindsey (ed), *Indonesia: Law and Society*, the Federation Press, Sydney, 1999, pp. 11-20.

Lipset, Seymour and Gabriel Lenz, "Corruption, Culture and Markets" in *Culture Matters*, eds. Lawrence Harrison and Samuel Huntington, New York, Basic Books, 2000, pp. 112-24.

Lo, T., *Corruption and Politics in Hong Kong and China*, Buckingham, United Kingdom, Open University Press, 1993.

Lopa, Baharuddin, "Asal Muasal Korupsi", *Bisnis Indonesia*, 21 November 1998. Available at: [http://www.bisnis.com/bisnis/owa/artikel.preview?cookie=2&inw\\_id=79779](http://www.bisnis.com/bisnis/owa/artikel.preview?cookie=2&inw_id=79779)

Mainwaring, Scott and Matthew S. Shugart, "Juan Linz, presidentialism, and democracy: A critical appraisal", in *Politics, Society, and Democracy: Latin America*, eds. Scott Mainwaring and Arturo Valenzuela, 2000, pp. 141-170.

Malley, M., "New Rules, Old Structures and the Limits of Democratic

Decentralisation," in E. Aspinall and Greg Fealy (eds), *Local Power and Politics in Indonesia: Decentralization and Democratizations*, Singapore, Institute of Southeast Asian Studies, 2003.

Manor, James, 'Politics and Neo-liberals', in Christopher Colclough and James Manor (eds), *State or Market? Neo-Liberalism and the Development Policy Debate*, Oxford: Clarendon Press, 1995, pp. 1-25.

McAdam, D., and S.Tarrow, C. Tilly, *Dynamics of Contention*, Cambridge University Press, New York, 2001.

McCoy, J. & H. Heckel, 'The Emergence of a Global Anti-Corruption Norm', *International Politics*, Vol. 38, 2001, pp. 65-90.

McIntyre, Andrew, "Political Institutions and the Economic Crisis in Thailand and Indonesia, *ASEAN Economic Bulletin*, Vol. 15 (3), 1999, pp. 362-72.

McIntyre, Janet, "Influences on Interagency Policy Making and Governance", in the presentation slides of the lecture of Governance and Public Policy, Flinders Institute of Public Policy and Management, 2007.

McLeod, Ross, "Survey of Recent Developments", *Bulletin of Indonesian Economic Studies*, Vol. 36 (2), 2000, pp. 5-40.

Mealey, Elizabeth and Carl Hanlon, "[World Bank Group President Zoellick Appoints Indonesian Finance Minister, Sri Mulyani Indrawati, as Managing Director](#)", *World Bank Group - Press Release*, May 4, 2010. See in: <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22568571~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>

Mellam, Albert and Daniel Aloï, *National Integrity Systems Transparency International Country Study Report Papua New Guinea 2003*, Berlin, Transparency International, 2003. Accessible in: [http://www.transparency.or/policy\\_research/nis/regional/asia\\_pacific](http://www.transparency.or/policy_research/nis/regional/asia_pacific).

Merton, Robert K., *Social theory and Social Structure*, New York, Free Press, 1957.

Mietzner, Marcus, "Indonesia and the Pitfalls of Low-Quality Democracy", in Bunte, Marco and Andreas Ufen, *Democratization In Post-Suharto Indonesia*, New York, Routledge, 2009.

Mietzner, Marcus, "Indonesia in 2008, Yudhoyono's Struggle for Re-election", *Asian Survey*, Vol. 49 (1), 2009, pp. 146-155.

Montlake, Simon, "Indonesia Tackles Corruption, Finally", *Far Eastern*

*Economic Review*, Dec 2008.

Myrdal, G., *Asian Drama: An Enquiry into the Poverty of Nations*, Vol. 2, New York, The Twentieth Century Fund, 1968.

North, D., *Institutions, Institutional Changes, and Economic Performance*, New York, Cambridge University Press, 1990.

Nye, J.S., "Corruption and Political Development: A Cost-Benefit Analysis", in *Political Corruption: A Handbook*, edited by Arnold, J. Heidenheimer, M. Johnson, and V.T. LeVine, New Brunswick, NJ, Transaction, 1989.

Okezone, "Kasus Urip Tri Gunawan, Pelajaran Berharga Para Penegak Hukum", March 9, 2008. See in:  
<http://dongants.wordpress.com/2009/03/17/kasus-urip-tri-gunawan-pelajaran-berharga-para-penegak-hukum/>

Ostrom, Vincent, *The Meaning of American Federalisms: Constituting a Self Governing Society*, San Francisco, Institute for Contemporary Studies Press, 1991.

Oyugi, O.W., "Decentralization for Good Governance and Development: The Unending Debate", *Regional Development Dialogue*, 21 (1), 2000.

Parson, Nick, "[Finance Minister of the Year, Asia 2008](#)", *Emerging Markets*, October 10, 2008. See in:  
<http://www.emergingmarkets.org/article.asp?PositionID=search&ArticleID=2272185>

Perdana, Ari A., "Ini Bukan Soal Sri Mulyani", in *Tempo magazine*, "Sri Mulyani Terbang Siapa Senang", edition May 10-16, 2010, pp. 39.

Philp, Mark, "Defining Political Corruption" in Paul Heywood (ed), *Political Corruption*, Oxford, Blackwell, 1997.

*Primaironline.com*, "Bendera: Penguasa Saat Ini Dibiayai Skandal Century", 30 November 2009, see in:  
<http://www.primaironline.com/berita/detail.php?catid=Sipil&artid=bendera-penguasa-saat-ini-dibiayai-skandal-century>

Putzle, James, "Democratization in Southeast Asia", in David Potter et al. (eds), *Democratization*, London, Polity Press, 1997.

Quah, J., "Combating Corruption in the Asia-Pacific Countries: What Do We Know and What Needs to be Done?", *International Public Management Review*, Vol. 10 (1), 2009, pp. 5-29.

Quah, J., *Curbing Corruption in Asia: A Comparative Study of Six Countries*, Singapore, Eastern Universities Press, 2003.

*Rakyat Merdeka*, "Konflik Ical dan Sri Mulyani Nambah Bukti Kebusukan Rezim SBY", 13 December 2009. In: <http://www.rakyatmerdeka.co.id/news/2009/12/13/85125/Konflik-Ical-dan-Sri-Mulyani-Nambah-Bukti-Kebusukan-Rezim-SBY>

Reno, William, *Corruption and State Politics in Sierra Leone*, Cambridge, Cambridge University Press, 1995.

Renoe, Curtis E. "Institutionalized Corruption: Implications for Legal Reform in Indonesia and the Need to Make Haste slowly", *Stanford Journal of East Asian Affairs*, Vol. 2, Spring 2002.

Riley, S., "The Political Economy of Anti-Corruption Strategies in Africa", *European Journal of Development Research*, Vol. 10 (1), 1998.

Robinson, M (ed), *Corruption and Development*, London, Frank Cass, 1998.

Robinson, R., 'What sort of democracy? Predatory and neo-liberal agendas in Indonesia,' in: C. Kinnvall and K. Jonsson (eds), *Globalization and Democratization in Asia: The Construction of Identity*, London, Routledge, 2002.

Robinson, Richard (ed), *The Neo-Liberal Revolution; Forging the Market State*, London, Palgrave Macmillan, 2006.

Rogow, A.A., and H.J. Lasswell, *Power, Corruption and Rectitude*, Englewood Cliffs, NJ: Prentice-Hall, 1963.

Rose-Ackerman, Susan, *Corruption and Government: Causes, Consequences and Reform*, New York, Cambridge University Press, 1999.

Said, Suhendra and Nizar Suhendra, "Corruption and Indonesian Society" in Richard Holloway (ed), *Stealing from the People: 16 Studies on Corruption in Indonesia*, Book I, Corruption-From Top to Bottom, Jakarta, Aksara Foundation for Partnership for Governance Reform in Indonesia, 2002.

Sakai, Minako, *Beyond Jakarta: Regional Autonomy and Local Societies in Indonesia*, Adelaide: Crawford Publishing House, 2002.

Sandholtz, Wayne and William Koetzle, "Accounting for Corruption: Economic Structure, Democracy, and Trade", *International Studies Quarterly*, Vol. 44 (1), March 2000, pp. 31-50.

Sasadara, Ruddy N., "The Impact of Global Financial Crisis on Indonesian Economy and Banking Sector", *Economic Review*, No. 213, September 2008.

- Schiller, Jim, "Electing District Heads in Indonesia", in Erb, Maribeth and P. Sulistiyanto (eds), *Deepening Democracy in Indonesia? Direct Elections for Local Leaders*, Singapore, Institute of Southeast Asian Studies, 2009.
- Schiller, Jim, "Looking for Civil Society in the 1999 Election in Jepara", *Renai*, Vol. 2 (1), 2002, pp. 5-18.
- Schiller, Jim, "Electing District Heads in Indonesia", in Erb, Maribeth and P. Sulistiyanto (eds), *Deepening Democracy in Indonesia? Direct Elections for Local Leaders*, Singapore, Institute of Southeast Asian Studies, 2009.
- Scott, J. C., *Comparative Politics Corruption*, Englewood Cliffs, NJ, Prentice-Hall, 1972.
- Seligson, Mitchell, "The Impact of Corruption on Regime Legitimacy: A Comparative Study of Four Latin American Countries", *Journal of Politics*, Vol. 64 (2), 2002.
- Sidel, John T., *Capital, Coercion and Crime: Bossism in the Philippines*, Stanford, California, Stanford University Press, 1999.
- Simanjuntak, Franky, *Measuring Corruption in Indonesia: Indonesia Corruption Perception Index 2008 and Bribery Index*, Jakarta, USAID, Transparency International, and Millenium, 2008.
- Smith, Theodore M., "Korupsi, Tradisi dan Perubahan di Indonesia", in Lubis, Mochtar and James C. Scott, *Korupsi Politik*, Jakarta, Yayasan Obor Indonesia, 1993.
- Snape, Fiona Roberto, "Corruption, Collusion and Nepotism in Indonesia", *Third World Quarterly*, Vol. 20 (3), 1999, pp. 589-602.
- Stiglitz, *Globalization and Its Discontents*, George Soros, *George Soros on Globalization*, New York, Public Affairs, 2002.
- Sukardi, Wina Armada, "Pak SBY, Bicaralah", *Kompas*, November 17, 2009. See in: <http://epaper.kompas.com/read/xml/2009/11/17/04475015/pak.sby.bicaralah>
- Sulistiyanto, Priyambudi, "The 2004 General Elections and the Virtues of Indonesian Presidentialism", *Philippine Journal of Third World Studies*, Vol. 19, No.2, 2004, pp. 4-24.
- Sun, Yan and Michael Johnston, "Does Democracy Check Corruption? Insights from China and India", *Comparative Politics*, Vol. 42 (1),

October 2009, pp. 1-19.

Tangri, and Andrew M. Mwenda, "Politics, donors and the ineffectiveness of anti-corruption institutions in Uganda", *Modern African Studies*, Vol. 44 (1), 2006, pp. 101-124.

*Tempo Magazine*, "Aksi Susno di Century: Komisaris Jenderal Susno Duadji Turun Tangan Menyelamatkan duit pengusaha Budi Sampoerna di Bank Century" edition September 14-20, 2009.

*Tempo Magazine*, "Ancang-ancang Cicak vs Buaya", edition August 3-9, 2009.

*Tempo Magazine*, "Buruk Rupa, Ajudan Ditarik: Sembilan Polisi Pengawal Ketua Mahkamah Konstitusi mendadak mengundurkan diri. Tersinggung aib sendiri", in "Silat Lidah Susno Duadji", edition November 16-22, 2009.

*Tempo Magazine*, "Di balik penahanan Bibit-Chandra: Siapa Main Kuasa", edition November 2-8, 2009.

*Tempo Magazine*, "Heboh Dana Talangan 6,7 triliun: Penyelamatan Bank Century berubah menjadi isu politik. Boediono dan Sri Mulyani jadi sasaran tembak", edition September 7-13, 2009.

*Tempo Magazine*, "Kejutan Terbaru Anggodo: Anggodo Widjojo mengarahkan saksi-saksi kunci untuk menjerat Bibit dan Chandra. Rekayasa itu sudah direncanakan lama", edition November 9-15 2009.

*Tempo Magazine*, "KPK di Ujung Tanduk", edition 28 September-4 October 2009.

*Tempo Magazine*, "Lakon Antasari: Kasus Pembunuhan Nasrudin Zulkarnaen mulai disidangkan. Benarkah Antasari otak [embunuhan atau sekadar korban?", edition August 24-30, 2009.

*Tempo Magazine*, "Lakon Dua Seteru: Drama Century akhirnya membuka perseteruan Aburizal Bakrie Vs Sri Mulyani", edition 14-20 December 2009.

*Tempo Magazine*, "Sengketa Baru Seteru Lama", in "Lakon Dua Seteru", edition December 14-20, 2009.

*Tempo Magazine*, "Setelah Pesta Kemenangan: Di balik keunggulan besar SBY-Boediono, dari mana dana kampanye berasal?", edition July 13-19, 2009.

*Tempo Magazine*, "Silat Lidah Susno Duadji", edition November 16-22, 2009.



*Tempo Magazine*, "Sri Mulyani Terbang, Siapa Senang", edition May 10-16, 2010.

*Tempo Magazine*, "Suhu di Pasar Klewer: Presiden Yudhoyono berkukuh tak akan mencampuri proses hokum atas dua pemimpin komisi pemberantasan korupsi. Rekomendasi tim delapan akan masuk kotak", edition 23-29 November 2009.

*Tempo Interaktif*, "Konflik Aburizal Bakrie-Sri Mulyani", 14 December 2009. See in: <http://www.tempointeraktif.com/hg/hukum/2009/12/14/brk,20091214-213775,id.html>

*The Economist Intelligence Unit*, "Indonesia Regulations: Anti-Corruption Court Law Raises Concerns", New York, [September 30, 2009](http://proquest.umi.com/pqdweb?did=1869361761&sid=1&Fmt=3&clientId=20831&RQT=309&VName=PQD). Available in: <http://proquest.umi.com/pqdweb?did=1869361761&sid=1&Fmt=3&clientId=20831&RQT=309&VName=PQD>

*The Jakarta Post*, "Thousands of people rally for Cicak", November 11, 2009. Can be seen in: <http://www.thejakartapost.com/news/2009/11/09/thousands-people-rally-%E2%80%98cicak%E2%80%99.html>

*The Jakarta Post*, "Govt Launches White Paper Defending Bailout", 13 January 2010. See in: <http://www.thejakartapost.com/news/2010/01/13/govt-launches-white-paper-defending-bailout.html>

Theobald, R., *Corruption, Development and Underdevelopment*, Durham, NC, Duke University Press, 1990.

Theobald, Robin, "Patrimonialism", *World Politics*, Vol. 34 (4), July 1982, pp. 548-559.

*Transparency International*, "Transparency International Corruption Perception Indices", 1995-2008. Can be seen at: [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi)

*Transparency International*, "Corruption Perception Index 2003". Can be seen at: [www.transparency.org](http://mahmood.tv/2004/05/25/corruption-perception-index-2003-weve-got-a-ways-to-go-still/) also in: <http://mahmood.tv/2004/05/25/corruption-perception-index-2003-weve-got-a-ways-to-go-still/>

*Transparency International*, "Polisi, Parpol, Parlemen dan Peradilan Dianggap Paling Terpengaruh dari Korupsi", Jakarta, TI, 2010. See in: <http://www.ti.or.id/researchsurvey/90/tahun/2007/bulan/12/tanggal/06/id/3473/>

Transparency International, "Corruption Perception Index 1997". Can be seen at: [www.transparency.org](http://www.transparency.org)

Treerat, Nualnoi, "Combating Corruption in the transformation of Thailand", in Tarling Nicholas, *Corruption and Good Governance in Asia*, New York, Routledge, 2005.

Treisman, D., "The causes of corruption: A cross-national survey", *Journal of Public Economics*, 76(3), 2000, pp.399-457.

*Tribun Timur*, "Mantan Jamintel Menduga Dana Century Mengalir ke Partai Presiden", 21 November 2009. Can be seen at: <http://www.tribun-timur.com/read/artikel/59053>

Umam, Ahmad Khoirul, "Gigantisme Golkar dan Tampilnya Jawara Baru, Partai Demokrat", *Detik*, April 10, 2009. Can be seen in: <http://us.detiknews.com/read/2009/04/10/162803/1113709/704/runtuhnya-golkar-dan-tampilnya-jawara-baru-partai-demokrat>

United Nations Economic Commission for Africa, *Assessing the efficiency and impact of national anti-corruption institutions in Africa*, Rwanda, Governance and Public Administration Division, 2008.

USAID, 'Stock Taking on Indonesia's Recent Decentralization Reforms' Jakarta, 2006, accessible in: [http://pdf.usaid.gov/pdf\\_docs/PNADH311.pdf](http://pdf.usaid.gov/pdf_docs/PNADH311.pdf)

Uwanno, Borwornsak, "Depoliticising key institutions for combating corruption", in Larmour, Peter and Nick Wolanin (ed), *Corruption and Anti Corruption*, Canberra, Australian Institute for Criminology, 2001.

Villalon, Roberta, "Neoliberalism, Corruption and Legacies of Contention: Argentina's Social Movements 1993-2006", *Latin American Perspectives*, Issue 153, Vol. 34 (2), March 2007, pp. 139-156.

Webber, D., "Consolidated Patrimonial Democracy? Democratization in Post-Soeharto Indonesia," *Democratization*, 13 (3), 2006, pp. 396-420.

Weyland, Kurt, "The Politics of Corruption in Latin America", *Journal of Democracy*, Vol. 9, April 1998, pp. 108-21.

White, Gordon, "Civil Society, Democratization and Development" in Robin Luckham and Gordon White (eds), *Democratization in the South, The Jagged Wave*, Manchester, Manchester University Press, 1996.

Widjojanto, Bambang, "Kekerasan Penegakan Hukum", November 3, 2009. See in: <http://gagasanhukum.wordpress.com/2009/11/05/kekerasan-dalam->

[penegakan-hukum/](#)

Williams, R, *Political Corruption in Africa*, Aldershot, England, Gower, 1987.

Williams, Robert, "New Concepts for Old?", *Third World Quarterly*, Vol. 20 (3), 1999.

Williamson, John, "[What Washington Means by Policy Reform](#)", in Williamson, John (ed.), *Latin American Readjustment: How Much has Happened*, Washington, Institute for International Economics, 1989.

Wiroto, *Memperdagangkan Kehidupan, Menelisik Nasib Beras di bawah Pasal-pasal WTO dalam Globalisasi Menghempas Indonesia*, Jakarta, LP3ES dan Perkumpulan PraKarsa, 2006.

World Bank, 'Justice for Poor Program' (2006). *Local Government Corruption Study -WB Collaboration Capacity Building of Anti-Corruption NGO at Local Level*, Idea Note, September 2006.

World Bank, *Helping Countries Combat Corruption,: progress at the World Bank Since 1997*, Operation Core Services and Poverty Reduction and Economic Management, Washington DC, 2000.

World Bank, *World Development Report 2000/1: Attacking Poverty*, Oxford, Oxford University Press for World Bank, 2000.

Yun, Sun and Michael Johnston, "Does Democracy Check Corruption?", *Comparative Politics*, Vol. 42 (1), October 2009, pp. 1-19.

Yuntho, Emerson, "Sebelas Jurus Melemahkan KPK", *Jawa Pos group*, 22 July 2009. Available in: <http://radarjogja.co.id/ruang-publik/opini/6140-sebelas-jurus-melemahkan-kpk.html>