

## Trajectory of Corruption in the Implementation of Post-Reform Regional Autonomy

I Made Arie Widyasthana Wartana Putra\*, Yufensia Jeflin

Department of Public Administration, Faculty of Social Science and Political Science, University of Merdeka Malang. Jl. Terusan Dieng No.62-64, Pisang Candi, Kec. Sukun, Kota Malang, Jawa Timur 65146

\*E-mail correspondence: [made.putra@unmer.ac.id](mailto:made.putra@unmer.ac.id)

---

Article History:

Received	: 23/08/2024
Received in revised form	: 28/09/2024
Accepted	: 11/03/2025

---

**Abstract:** This article aims to describe the relationship between corruption cases and decentralization policies in Indonesia. Decentralization policies are believed to be one of the sources of the rampant corruption cases in Indonesia. Several previous research results show that corruption cases have increased since the implementation of decentralization. The method used is a qualitative method with a literature study approach. Data collection techniques are carried out by collecting various existing references that discuss the issues of corruption and decentralization. Furthermore, the data is analyzed to obtain a conclusion. This research is descriptive because it focuses on describing corruption incidents that occurred in Indonesia after the enactment of the law on regional autonomy. The results of this study state that corruption is associated with decentralization because regions have the authority to manage their finances independently. Delegation of authority to regions to manage their finances becomes a fertile ground for corruption. In addition, decentralization is also used by local governments as an arena for reaping profits and enriching themselves and their groups. Political dowries in every election/regional election event also often become fertile ground for the growth of corruption cases in the era of decentralization.

**Keywords:** Corruption; Decentralization; Regional Governance

**Abstrak:** Artikel ini mengkaji hubungan antara kebijakan desentralisasi dan meningkatnya kasus korupsi di Indonesia. Desentralisasi memberikan kewenangan lebih besar kepada pemerintah daerah dalam mengelola keuangan dan kebijakan, namun hal ini juga membuka peluang terjadinya penyalahgunaan wewenang. Dengan menggunakan metode kualitatif dan pendekatan studi pustaka, penelitian ini mengumpulkan dan menganalisis berbagai referensi mengenai isu korupsi pasca otonomi daerah. Hasil penelitian menunjukkan bahwa desentralisasi mempermudah praktik korupsi karena lemahnya sistem pengawasan serta tingginya biaya politik dalam pemilu dan pilkada. Pemerintah daerah sering memanfaatkan kewenangan fiskal untuk kepentingan pribadi atau kelompok, sehingga menciptakan kondisi yang mendukung tumbuhnya korupsi. Selain itu, desentralisasi memperkuat praktik mahar politik yang semakin memperburuk tata kelola pemerintahan di daerah. Implikasi dari temuan ini menyoroti perlunya reformasi kebijakan desentralisasi agar tidak menjadi alat bagi elite politik untuk memperkaya diri. Diperlukan sistem pengawasan yang lebih ketat, transparansi

dalam pengelolaan keuangan daerah, serta mekanisme akuntabilitas yang lebih efektif guna menekan angka korupsi dan meningkatkan kualitas pemerintahan daerah di Indonesia.

**Kata Kunci: Desentralisasi; Korupsi; Pemerintah Daerah.**

## INTRODUCTION

Corruption has been a severe concern in Indonesia for the previous two decades. Following the reformation, corruption not only became a monopoly of the central elite, but it also extended to outlying locations. Several mainstream media outlets have covered stories of widespread corruption perpetrated by various elites and interest groups. Corruption is a global issue that deserves public attention (Ali, 2018). Corruption practices are typically associated with the concept of totalitarian governance, a dictatorship in which power is concentrated in the hands of a few people. However, this does not imply that corruption does not exist in a democratic socio-political system. The sociopolitical life of society, which tolerates corruption, allows the practice to spread. Corruption is also a violation of human rights, it raises the cost of goods and services, increases a country's debt, and lowers product quality standards (Rahayuningtyas & Setyaningrum, 2017). Corruption always creates an uncertain socioeconomic scenario.

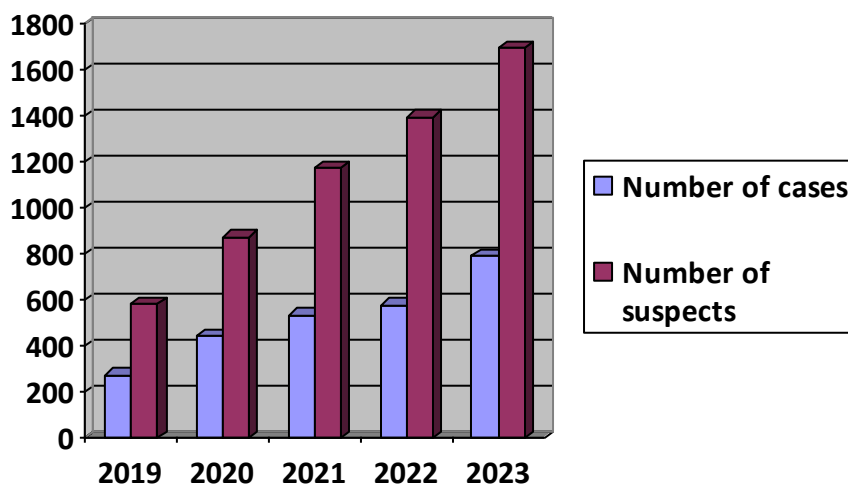
During the new rezim (Orde Baru), Soeharto and his associates monopolized the grim portrait of corruption (Vel & Bedner, 2015; Zubaedah & Hafizi, 2022). Given the centralized nature of the state governing system at the time, this is entirely reasonable. The president ruled all state affairs. The buildup of wealth was limited to the central level. The centralistic Soeharto regime's demise altered the flow of corruption. State governance shifted from centralized to decentralized. Regions were given the authority to manage themselves without direct intervention from the center. This policy gives regions the ability to choose numerous policies that directly affect their own territories.

The implementation of decentralization policy in Indonesia was implemented after the issuance of Law (UU) No. 22/1999 concerning Regional Government which was then replaced by Law No. 32/2004 and Law No. 23/2014 (Larasati, 2022; Wasistiono, 2020). Decentralization is believed to be one of the state's efforts in dividing and delegating power from the central government to regional governments to regulate their regions based on the principle of regional autonomy. The

implementation of decentralization is expected to not only reduce the burden of tasks and responsibilities of the central government but also increase the number and quality of public services so that community welfare can also increase (Maria et al., 2019). Decentralization is a method of establishing democracy in a country. Democracy necessitates the division and distribution of power by entrusting the sovereignty of the people to realize and manage the government. As a result, everyone has the ability to organize and run the government, from the central level to the lowest level, which is the region (Sahaya Anggara, 2015). Good governance exists exclusively to protect people's sovereignty in exchange for assurances of prosperity, welfare, and fundamental communal rights (Anggela et al., 2023; Ansell & Torfing, 2016).

The decentralization policy is one of the key reform agendas in Indonesia, to reduce the economic-political gap between the central and regional administrations (Guntoro, 2021; I. M. A. Wi. W. Putra et al., 2024). The centralistic approach replicated under the New Order administration generated an imbalance of authority between the center and the regions, resulting in a yearning for dissolution. The fall of Soeharto marked the beginning of a transition in the government paradigm from centralization to decentralization. The decentralization strategy is thought to help construct an effective government, develop a democratic government, recognize local variety, maximize the potential of local communities, and sustain national integration (Sommaliagustina, 2019). This strategy also serves to see and analyze corruption trends that occur in Indonesia. Based on ICW data on the results of the tabulation of corruption case information data in 2023 with the previous four years (2019-2023) (Anandya & Ramadhana, 2024; Arifin & Irsan, 2019). The results can be seen in the graph below.

**Figure 1 Corruption Trends 2019-2023**



*Source: Processed from the 2024 Indonesia Corruption Watch Report.*

Judging from the graph above, the trend of corruption has increased quite consistently in the last five years. In 2023, the increase that occurred was very significant compared to previous years, both in terms of the number of cases and suspects, where 791 corruption cases were found and 1,695 people were named as suspects (Anandya & Ramadhana, 2024; ICW, 2024). From the results of ICW's analysis, two factors are causing the increase in corruption cases from year to year. First, the government's corruption eradication strategy is not optimal through the actions taken by its legal apparatus. Second, the corruption prevention strategy can be said to have not been running optimally. As one of the important indicators in the success of the corruption eradication agenda, apart from action, prevention work also deserves to be an important note. The government itself has a prevention instrument, namely the national corruption prevention strategy (Stranas-PK), which was formed based on Presidential Regulation No. 54 of 2018. However, if we look at the factual conditions where corruption cases have consistently increased from year to year, then the government's prevention strategy has not made a significant contribution

In previous research, decentralization policies have a biased impact on the socio-political conditions of society. On the one hand, decentralization brings a breath of fresh air for local governments to develop regions while lightening the tasks of the central government, but on the other hand, decentralization policies create new problems, namely the increasing number of new corruptors spreading to remote areas (Puspasari & Suwardi, 2016). The many corruption cases that were actually

carried out by state apparatus, from governors, regents, mayors, DPRD members, to service officials have tarnished and injured the meaning of decentralization amidst the public's expectations that regional autonomy is expected to be able to produce good public services for the community (Haning et al., 2016; I. Putra & Huda, 2022).

Corruption case mapping conducted by Indonesia Corruption Watch (ICW) between 2019 and 2023 revealed that village chiefs were responsible for the majority of corruption cases. According to the data, there were 187 incidents with state losses of Rp162,255,928,594 (Anandya & Ramadhana, 2024). This paper demonstrates that corruption has extended to the lowest levels of government. Furthermore, corruption happens in a variety of industries, including infrastructure, natural resources, education, and health (Anandya & Ramadhana, 2024; Arifin & Irsan, 2019). As a result, the author wishes to expound on how decentralization influences the growing number of corruption cases in Indonesia. The researcher want to elaborate on the loopholes in the decentralization policy that corruptors use to move forward with their plans to plunder the nation's resources.

## RESEARCH METHODS

This article uses a qualitative study method with a literature study approach. Literature study is a framework, concept, or orientation for analyzing and classifying facts collected during research (Creswell, 2016). The main sources of this research come from various websites that select accredited journal articles, such as Google Scholar, Scopus, Sage Publication, Science Direct, and others. Keywords such as financial policy, corruption policy, decentralization, handling of corruption cases, prevention of corruption cases, and so on were used to find the articles needed in this study. The author describes various literature works that write about various problems that are by the topics raised in the research and provide conclusions on various reports that have been summarized by the author (I. M. A. Wi. W. Putra et al., 2024).



**Figure 2. Research Process**

Data analysis was carried out using deductive and inductive methods. Deductively, this study explains general theories related to decentralization and corruption to

obtain more specific conclusions. Inductively, facts obtained from various sources are reviewed to develop a broader understanding. Thus, this study is able to provide a comprehensive picture of the relationship between decentralization and corruption cases in Indonesia.

## **RESULT & DISCUSSION**

### **Corruption Cases at the Regional Level**

Post-reformation, the pathology of corruption is not only linked to the central government, but it also affects outlying places. Furthermore, corruption cases are not limited to specific groupings (central), but can target local elites. Meanwhile, the techniques vary, including corruption of village budgets, infrastructure, health, and education, as well as mining and money laundering crimes. Corruption appears in several forms, namely (Suharyo, 2014); first, discretionary corruption, meaning corruption that is carried out because of the authority to determine policy, even though it is legally legal. Second, illegal corruption, namely an intention to deceive the law by manipulating the language or intent of certain laws, regulations or policies. Third, mercenary corruption, namely a model of corruption carried out by giving bribes to facilitate personal goals. Third, ideological corruption, namely a form of corruption that is ideological and ideological in nature with the aim of enriching certain groups.

Corruption is also grouped into several criteria, the first is petty corruption and grand corruption (Arifin & Irsan, 2019). Petty corruption is related to actions taken by the government in dealing with the common people. This action is usually practiced by low-level officials in an agency. This can be in the form of extortion for the process of completing files quickly. Meanwhile, grand corruption is carried out by officials at a high level and usually the money spent is in large amounts with greater losses. Second, bribery, this action usually occurs in the administrative sector, for example delaying tax or customs payments, bribery carried out to facilitate licensing from companies. Third, misappropriation. This action is usually in the form of document falsification or supervision that is deliberately weakened to make it easier for certain individuals to commit corruption. Fourth, embezzlement. This action is related to money laundering. Fifth, extortion. This action occurs when the government deliberately does not socialize the latest regulations so as to trap the common people to make deviations. As a form of liberation, the community is required to pay or sacrifice certain things as collateral. Sixth, protection (patronage). This action is

related to the placement of positions or job mutations based on the principle of clientelism. Positions are obtained because of family factors, not because of the competence of the person concerned.

Corruption is another example of an unjustified abuse of authority. Mandated positions are frequently manipulated for personal gain. The demands of persons in positions of authority are frequently hampered in order to obtain bribes (Jupri, 2016). Previous articles found that corruption cases have spread to all corners of the region. Research from (Fahrizal & Bintoro, 2022) revealed that the delegation of authority to regions to manage their own finances actually triggers corruption. The trend of corruption masterminded by regional heads from the village to provincial levels is increasing. The corruption that occurs is believed to be a product of the high political costs during the campaign period. The increase in corruption cases is believed to be an invisible effect of general elections and regional head elections. There has been a disturbance in different locations of Indonesia due to news of corruption committed by several local governments. In 2018, 41 DPR members (out of 45) committed corruption. Furthermore, from 2009 to 2018, 38 DPRD members in North Sumatra committed corruption (Siregar, 2020). From these cases, it is possible that they also occur in other areas. This can be easily traced on the official website of the KPK (Corruption Eradication Commission).

The widespread corruption that has permeated to the provincial government has sparked resentment among Indonesians. The five-year leadership succession has become a worthless ceremonial event. The election of regional leaders from the provincial to the village levels is supposed to provide a breath of fresh air for change in people's lives, both in the political, economic, social, and cultural arenas. Various facts reported in the mainstream media have sparked suspicions about an unbreakable cycle of corruption. According to data supplied by ICW in 2018, there were 454 corruption suspects in regional government circles across several industries (Anandya & Ramadhana, 2024; Guntara, 2020; Jupri, 2016). There are two major variables that influence the high amount of corruption cases that occur in the regions: first, the community's role in overseeing the entire embezzlement process remains modest. The community lacks the bravery to expose numerous frauds committed by specific persons to the authorities. Second, law enforcement officers who do not perform efficiently in combating various forms of embezzlement. Even at a certain level, law enforcement officers are complicit in numerous

embezzlements because they are bribed or have become collaborators in corrupt acts.

Data obtained from the KPK found that most corruption cases were masterminded by district/city governments. In addition, corruption cases carried out by provincial governments are also quite high. This can be observed from the report released by the KPK regarding corruption cases that occurred during the 2023 period as shown in the following table 1.

Based on the facts shown in the previous ICW report table for 2023, it is not surprising that village funds are susceptible to corruption, given that the last five study results have yielded the same conclusion. This is an implicit domino effect of the implementation of Law No. 6 of 2014, which governs communities and grants them the authority to manage their budgets. The state has disbursed 68 trillion for 75,265 communities in Indonesia. This also means that each village receives 903 million from the federal government each year. The source of this money will grow if computed using the Village Budget obtained from the APBD (Anandya & Ramadhana, 2024).

**Table 1. Corruption Crime Data 2023**

Sector	Amount	State Losses	Bribery (Rp)	Illegal Levies (Rp)	Money Laundering (Rp)
t	(Rp)				
Village Government	187 108	162.225.928.594 630.831.535.697	185.000.000 168.580.507.228	495.200.000 937.000.000	- 155.670.000.000
Utilities	103	3.262.965.649.871	1.800.000.000	530.000.000	-
Banking	65	984.536.271.034	-	-	8.530.120.000
Education	59	187.096.039.246	65.900.000	788.475.000	-
Health	44	100.195.409.992	-	310.000.000	-
Natural Resource	39	6.724.907.706.435	-	-	-
Youth & sport	14	82.334.958.656	-	-	-
Transportation	14	42.603.318.430	-	-	-
Telecommunication & information	13	8.895.356.859.815	2.160.000	-	-
Justice	11	999.600.000	37.345.000.000	985.500.0000	15.000.000.000
Culture and tourism	9	5.121.189.859	200.000.000	7.228.000	-

**Source: Processed from the ICW Final Report Document for 2023**

Based on the facts shown in the previous ICW report table for 2023, it is not surprising that village funds are susceptible to corruption, given that the last five study results have yielded the same conclusion. This is an implicit domino effect of

the implementation of Law No. 6 of 2014, which governs communities and grants them the authority to manage their budgets. The state has disbursed 68 trillion for 75,265 communities in Indonesia. This also means that each village receives 903 million from the federal government each year. The source of this money will grow if computed using the Village Budget obtained from the APBD (Anandya & Ramadhana, 2024).

Local government corruption frequently happens in the licensing sector. Several incidents of corruption have been documented, including the wrongdoing committed by the regent of Kutai Kartanegara, who was arrested in 2019 for allegedly receiving bribes and providing gratuities for various sorts of development in his territory. Similarly, the mayors of Cilegon, Batu, Tegal, and Pamekasan served as regents in 2017 (Arifin & Irsan, 2019). The corruption perpetrated by various regional authorities began with the abuse of their authority. Given the influence that regional chiefs wield, there is the possibility of deviant behavior, such as giving/receiving bribes for licensing specific projects.



**Figure 1. Corruption Action Pattern**

Essentially, the delegation of authority from the central government to regional governments is an attempt to promote equal development throughout Indonesia. The division of tasks is supposed to make the state's overall performance in increasing the welfare of the community more efficient. However, in fact, the analysis demonstrates that money disbursed by the central government are exploited as fertile ground for regional administrations to commit corruption.

### **Decentralization: A Gateway to the Spread of Corruption Cases?**

Decentralization is characterized as a sensible policy designed to alleviate administrative and financial constraints, as well as a type of democracy in the realm of political jurisdiction (Fatkhuri, 2019). This notion is a devolution of authority from the central government to regional governments with the goal of increasing their independence in managing their own domestic affairs. Furthermore, decentralization is likely to benefit the broader people. Meanwhile, the manifestation of decentralization is known as regional autonomy (Arifin & Irsan, 2019). In essence, regional autonomy indirectly expands the corruption network (Suharyo, 2014). This is

feasible when the center delegated responsibility to the regions without a strict monitoring system. Evidence of this may be found in Indonesia throughout the post-reform era, both normative and practically. Deconcentration funds and assistance task funds are two types of financial allocations made by the central government to regions that are frequently misused.

Decentralization is designed to increase productivity in matters related to the public in this case government services to the community (Mega Christia & Ispriyarso, 2019). With decentralization, the government's response to the needs of the community is more efficient and effective. In addition to the administration, decentralization is expected to facilitate supervision of regional development (Fatmawati, 2018). In general, decentralization consists of political decentralization, administrative decentralization, economic decentralization, and fiscal decentralization (Fahrizal & Bintoro, 2022). Political decentralization is standardized with the aim of involving local communities to take part in every political decision in their region. Meanwhile, administrative decentralization is related to the distribution of authority and public services. Fiscal decentralization is related to the delegation of authority to regions to manage their finances autonomously. Meanwhile, economic decentralization is related to the delegation of authority to regions to manage their financial resources.

The advent of decentralization programs has actually resulted in the spread of corrupt activities, particularly those related to fiscal decentralization. According to research findings, fiscal decentralization, although having favorable effects, also encourages corruption by allowing regional governments to manage the potential benefits of their regions. This is appropriate, given that fiscal decentralization allows the government to administer Regional Original Income (PAD) independently. The Regent or Governor has the authority to manage regional income, which allows for theft if done in an unproductive manner. This incidence is supported by the Fraud Triangle theory, which states that multiple deviations develop as a result of easy access to every opportunity that exists (Shara Ningsih et al., 2023). This is in line with the analysis of (Siregar, 2020), who stated that corruption cases that occur in Indonesia are caused by three possibilities in the Fraud Triangle theory, namely opportunity, pressure, and rationalization. Opportunity is related to the opportunities that can be taken by someone to commit corruption. Pressure is related to the need to live a luxurious life so that it justifies any means to fulfill it. While rationalization is

related to the perpetrator who believes that he has the right to give and receive something because of the power he has and also because he believes that he deserves compensation for certain services performed.

This demonstrates the link between widespread corruption and the decentralization policy. First, there is the consumerist lifestyle, which is widely supported by both central and provincial government. The glorification of the consumerist and hedonistic lifestyle compels certain people to commit corruption. Second, delegating authority to regional governments to manage regional finances creates potential for corruption. Third, irresponsible elites take advantage of the decentralization policy, which promotes regional autonomy in financial management. Fourth, the center's oversight or control mechanism is frequently criticized as inadequate, making it easier for regional administrations to perpetrate corruption. Meanwhile, financial regulatory agencies are frequently ineffective in carrying out their obligations and functions, even forming alliances with corruptors. Fifth, the political expenses incurred by a regional head during the campaign phase are not similar to the pay he earns after winning the election or regional head election. This unequal condition compels certain elites to commit corruption.

Every human action is also influenced by the opportunities or chances that exist. Corruption cases that occur in the regions are the effects of the opportunities they get. Decentralization requires the provincial government to the village government to manage regional finances independently. The presence of this policy opens up opportunities for corruption. This opportunity is supported by the power that the elite has, thus creating a combination that is capable of committing corruption crimes. Decentralization is transformed into a comfortable area for local political elites. This is because they are given adequate authority, especially politically, to strengthen their power over resources in the region. Decentralization actually becomes an autonomous area for certain groups to reap personal interests and benefits (Simanjuntak, 2015).

On the other hand, arrests of corruptors also have certain effects on regional progress. According to (Setiyono, 2017) ,noted that first with the existence of severe control and punishment for corruptors, it kills the initiative and creativity of local governments to make various breakthroughs. Regional officials work rigidly because they are filled with feelings of anxiety. In addition, at the bureaucratic level, it further weakens a person's desire to become a leader. Second, low budget realization with a large remaining budget in the closing period of the budget year. This of course has

*JURNAL MANAJEMEN PUBLIK DAN KEBIJAKAN PUBLIK VOL 7 No 1, MARET 2025*

an impact on the stagnation of progress in a region. In addition, bureaucrats are not committed to carrying out various productive innovations because they are haunted by feelings of fear. Third, low budget realization of course hinders economic growth and infrastructure progress in a region. Fourth, various programs and developments initiated by state finances are left behind by developments sponsored by funds from the private sector. This of course harms the public/state sector because certain developments actually provide adequate income for regional or state treasuries.

There are various negative consequences to the link between regional autonomy programs and corruption charges in Indonesia. First, decentralization focuses solely on delegating responsibility in policymaking and administrative issues to political elites, without providing grassroots groups with access and media to criticize or supervise the implementation of the region's current system. The government delegated control to local political elites while ignoring the role and function of grassroots communities. Second, the decentralization policy gives local governments the freedom to develop policies without influence from the national government. This immediately allows reckless individuals to conduct abuse. Third, the control function of the regional legislative body is tolerant of filthy acts by the executive government, and members of the legislature are also involved in corrupt activities. On the other hand, the civil society movement, which is anticipated to be able to serve as a guard, is frequently influenced by the opportunistic political objectives of specific elites.

Decentralization also allows for the consolidation of oligarchs at the local level, which leads to concerns like corruption, collusion, and nepotism. The decentralization program is viewed as meeting the political interests of specific groups, including religious organizations, education, health, politicians, and businessmen. The ideas of decentralization to increase people's well-being are actually far from the truth. This conclusion is based on the APBD structure's low direct investment, the government's failure to address local issues, and a reduction in local community welfare. As a result, it is not unreasonable to speculate that decentralization will serve as a new venue for oligarch consolidation at the local level.

With decentralization, it gives regions the right to determine their own leaders without any central intervention. This is certainly positive, considering that the large intervention of the central government in regional governments is a form of denial of the values of modern democracy. However, problems arise when the cost of leadership succession always requires a lot of money. In dealing with these large

costs, regional head candidates usually build partnerships with certain parties to finance campaign activities. In the language by (Ahmad, 2016) the process of building this partnership is called partner politics or in the language (Ata, 2022) it is called ijon politics. Partner politics/ijon politics is an effort by a regional head candidate to get political costs by building partnerships with certain parties. The consequence of this cooperation is that if elected, a regional head must consider the services that have been issued by political partners in financing the vote-seeking process. Such politics of gratitude are the seeds of the decline of a country/region, because positions are given to someone not because of competence but because of gratitude.

Excessive pessimism towards decentralization cannot be used as a solution option. According to (Simanjuntak, 2015) offers a solution option by refreshing the basic values of decentralization itself, namely equitable development and acceleration in addressing community welfare. The concept of decentralization can only be achieved if it begins with a transformation of awareness that the implementation of decentralization is not just a right, but rather an obligation to accelerate the ideals of community welfare. This means that the quality of decentralization lies in the government's seriousness in advancing community welfare. Furthermore, bureaucratic change is required, including the establishment of an integrity zone. The scope of government must provide an example for adopting honesty in society. In terms of integrity, the entire state process is conducted in a transparent and accountable manner, allowing the basic principles of decentralization to be realized. The community's primary goal remains a good governance structure. This goal can be attained if the government, both central and regional, believes strongly in the region's success (Fauzi, 2019). The practice of good governance is based on compliance with the mandate given by the people. The gift of regional autonomy must be viewed as a form of responsibility rather than a surrender of the broadest possible freedom to regional governments. Discussion of regional autonomy does not imply granting regional administrations the ability to set policies based on their own preferences. During its execution, the central government's control mechanism remains in place to ensure that national development ideals are consistent with regional development (Zubaedah & Hafizi, 2022).

### **Implication**

The results of this study have significant implications for anti-corruption policies and practices in the era of decentralization. By understanding how

*JURNAL MANAJEMEN PUBLIK DAN KEBIJAKAN PUBLIK VOL 7 No 1, MARET 2025*

decentralization contributes to increased corruption cases, policymakers can design stricter regulations and more effective oversight systems. Strategic steps are needed to ensure that decentralization is not abused by interested parties, but instead benefits society and regional development as a whole. Therefore, more holistic policy reforms are urgently needed to reduce corruption rates at the regional level.

One of the main implications of this study is the need to improve oversight policies for regional financial management. The central government must strengthen the control and evaluation mechanisms for regional budgets to ensure that all funds managed are used transparently and accountably. In addition, supervisory institutions, both at the national and regional levels, must have strong independence so that they can carry out their oversight functions without political intervention. With a strict oversight system, the opportunity for corrupt actors to misuse regional budgets can be significantly reduced.

In addition to stricter oversight, reform of regional governance is also an important aspect that must be considered. Ideal decentralization must be accompanied by increased capacity of local government administration, especially in budget management and public policy implementation. Clearer regulations and better transparency mechanisms will help reduce loopholes for local officials to commit corruption. In addition, the implementation of a digitalization system in budget management and public services can also increase efficiency and minimize the potential for the manipulation of regional financial data.

Community participation also plays a key role in overcoming corruption in the era of decentralization. Therefore, increasing community participation in regional financial supervision needs to be encouraged through various initiatives, such as involvement in development deliberation forums, the formation of independent supervisory teams, and the use of technology to facilitate transparency and openness of public information (Yayan Andi, 2023). With active involvement from the community, reporting of indications of corruption can be followed up more quickly, thereby reducing the number of corruption cases at the regional level.

Finally, stricter law enforcement is a major factor in efforts to eradicate corruption in the era of decentralization. Heavier penalties for local officials who are proven to have committed corruption must be applied to provide a deterrent effect. In addition, reforms in the legal and judicial systems must be carried out so that there is no

impunity for perpetrators of corruption. Steps such as simplifying legal procedures, protecting whistleblowers, and improving coordination between law enforcement agencies can be a solution to strengthen the effectiveness of law enforcement in the regions. With the implementation of these steps, it is hoped that decentralization can run more transparently and provide real benefits for regional development without becoming a loophole for corrupt practices.

## CONCLUSION

This study confirms that decentralization has opened up opportunities for increased corruption cases in Indonesia due to weak monitoring systems and high political costs at the regional level. Regional governments often abuse fiscal authority for personal or group interests, creating an environment conducive to corruption. In addition, money politics in elections and regional elections further worsen regional governance. To overcome this problem, concrete steps are needed, such as strengthening regional financial monitoring mechanisms, reforming the government administration system, and increasing public participation in monitoring public policies. In addition, stricter law enforcement against perpetrators of corruption in the regions must be implemented to provide a deterrent effect and increase regional government accountability.

The limitations of this study lie in its focus, which is more descriptive and based on literature studies, so it does not include a more in-depth empirical analysis. Therefore, future research can develop this study with a quantitative approach or a more specific case study method in certain regions. With further research, it is hoped that more effective solutions can be found to minimize the negative impact of decentralization on corruption practices in Indonesia..

## REFERENCES

- Ahmad, K. (2016). Pengaruh Sistem Politik Terhadap Praktik Korupsi. *Jurisprudentie*, 3(2), 123–130. <http://journal.uin-alauddin.ac.id/index.php/Jurisprudentie/article/view/2820%0Ahttp://journal.uin-alauddin.ac.id/index.php/Jurisprudentie/article/download/2820/2664>
- Ali, M. (2018). Analisis Ekonomi Politik Terhadap Korupsi (Dalam Perspektif Struktural Menuju Pemahaman Teoritik Baru Tentang Korupsi Politik Di Indonesia). *JIAP (Jurnal Ilmu Administrasi Publik) FISIP UM Mataram*, 6(1), 56–63. <https://doi.org/10.31764/jiap.v6i1.666>
- Anandya, D., & Ramadhana, K. (2024). Laporan Hasil Pemantauan Tren Korupsi Tahun 2023. In *Indonesia Corruption Watch*.
- Anggela, B., Rosidin, & Adriadi, R. (2023). Penerapan Prinsip-Prinsip Good
- JURNAL MANAJEMEN PUBLIK DAN KEBIJAKAN PUBLIK VOL 7 No 1, MARET 2025*

- Governance Oleh Aparatur Pelayanan Publik di Kantor Dinas Kependudukan Dan Catatan Sipil Kabupaten Lahat Provinsi Sumatera Selatan. *Jurnal Manajemen Publik Dan Kebijakan Publik (JMPKP)*, 5(1), 127–136. <https://doi.org/10.36085/jmpkp.v5i1.4949>
- Ansell, C., & Torfing, J. (2016). Handbook on theories of governance. In *Handbook on Theories of Governance*. <https://doi.org/10.4337/9781782548508>
- Arifin, M. Z., & Irsan, I. (2019). Korupsi Perizinan Dalam Perjalanan Otonomi Daerah di Indonesia. *Lex Librum: Jurnal Ilmu Hukum*, 5(2), 887–896. <https://doi.org/http://doi.org/10.5281/zenodo.3187323>
- Ata, N. (2022). Praktik Ijon Politik Pada Kasus Korupsi Kepala Daerah; Studi Kasus Korupsi Dana Alokasi Khusus (Dak) Pendidikan di Kabupaten Malang. *Journal of Governance Innovation*, 4(1), 65–83. <https://doi.org/10.36636/jogiv.v4i1.1187>
- Creswell, J. W. (2016). *Research Design Pendekatan Kualitatif, Kuantitatif, dan Mixed* (4th ed.). Pustaka Pelajar.
- Fahrizal, M. F., & Bintoro, Y. J. (2022). Desentralisasi Fiskal Dalam Pengelolaan Keuangan Daerah. *Jurnal Manajemen Kewirausahaan*, 19(1), 73–84. <https://doi.org/10.33370/jmk.v19i1.734>
- Fatkhuri, F. (2019). Desentralisasi Pendidikan di Indonesia: Korupsi dan Problem Politik Kekuasaan. *KEMUDI: Jurnal Ilmu Pemerintahan*, 3(2), 278–297. <https://doi.org/10.31629/kemudi.v3i2.874>
- Fatmawati, N. I. (2018). Desentralisasi Asimetris, Alternatif Bagi Masa Depan Pembagian Kewenangan di Indonesia. *Madani Jurnal Politik Dan Sosial*, 10(3), 73–85.
- Fauzi, A. (2019). Otonomi Daerah Dalam Kerangka Mewujudkan Penyelenggaraan Pemerintahan Daerah Yang Baik. *Jurnal Spektrum Hukum*, 16(1), 119–136. <https://doi.org/10.21274/legacy.2023.3.2.181-198>
- Guntara, B. (2020). Maraknya Korupsi Di Pemerintahan Daerah Dalam Era Desentralisasi. *Yuriska: Jurnal Ilmiah Hukum*, 12(1), 11–24. <https://doi.org/10.24903/yrs.v12i1.813>
- Guntoro, M. (2021). Desentralisasi dan otonomi daerah: desentralisasi dan demokratisasi. *Universitas 17 Agustus 1945 Cirebon*, 3(2), 416.
- Haning, M. T., Tamba, L., Yunus, M., & Nara, N. (2016). Desentralisasi Kewenangan Pelayanan Publik Pada Kecamatan Di Kabupaten Pangkep. *Jurnal Analisis Dan Pelayanan Publik*, 2(1), 73–92.
- ICW. (2024). *Tren Penindakan Kasus Korupsi Tahun 2023*. Indonesia Corruption Watch. <https://antikorupsi.org/id/tren-penindakan-kasus-korupsi-tahun-2023>
- Jupri, J. (2016). *Kpk & Korupsi Kekuasaan* (R. Man (ed.); 1st ed., Issues 1–324). Pusat Kajian Inovasi Pemerintahan dan Kerjasama Antar Daerah Program Studi Ilmu Pemerintahan FISIP Universitas Brawijaya.
- Larasati, G. P. (2022). Implementasi Desentralisasi Dalam Kerangka Negara Kesatuan Republik Indonesia. *Jurnal Komunikasi Hukum (JKH)*, 8(1), 244–251. <https://doi.org/10.23887/jkh.v8i1.44063>
- Maria, E., Halim, A., Suwardi, E., & Miharjo, S. (2019). Desentralisasi fiskal dan probabilitas terjadinya korupsi: Sebuah bukti empiris dari Indonesia. *Jurnal Ekonomi Dan Bisnis*, 22(1), 1–22. <https://doi.org/10.24914/jeb.v22i1.2036>
- Mega Christia, A., & Ispriyarso, B. (2019). Desentralisasi Fiskal Dan Otonomi Daerah Di Indonesia. *Law Reform*, 15(1), 149–163. <https://ejournal.undip.ac.id/index.php/lawreform/index>
- Puspasari, N., & Suwardi, E. (2016). The Effect of Individual Morality and Internal Control on the Propensity To Commit Fraud: Evidence From Local Governments.

- Journal of Indonesian Economy and Business*, 31(2), 208–219.  
<https://doi.org/10.22146/jieb.15291>
- Putra, I., & Huda, M. N. (2022). Implementation of Good Village Governance in Tourism Industry Development Implementasi Good Village Governance dalam Pengembangan Industri Pariwisata. *NAKHODA: Jurnal Ilmu Pemerintahan*, 21(02), 145–160. <https://doi.org/10.35967/njip.v21i2.365>
- Putra, I. M. A. Wi. W., Luthfi, A., Amali, A. C., & Nurhalisa, S. (2024). Optimization of Education System Implementation in Aceh Besar Regency. *REFORMASI*, 14(1), 163–177. <https://doi.org/https://10.33366/rfr.v%vi%i.5877>
- Rahayuningtyas, D. P. A., & Setyaningrum, D. (2017). Pengaruh Tata Kelola Dan E-Government Terhadap Korupsi. *EKUITAS (Jurnal Ekonomi Dan Keuangan)*, 1(4), 431–450. <https://doi.org/10.24034/j25485024.y2017.v1.i4.2597>
- Sahaya Anggara. (2015). Sistem Politik Indonesia. In B. A. Saebani (Ed.), *Sistem Politik Indonesia* (1st ed.). CV Pustaka Setia.
- Setiyono, B. (2017). Evidence From Four Case Studies. *Politika*, 8(1), 27–62.
- Shara Ningsih, K., Frinaldi, A., & Magriasti, L. (2023). Desentralisasi Fiskal Dalam Peyelenggaraan Otonomi Daerah di Indonesia. *Jurnal Ilmu Sosial Dan Pendidikan (JISIP)*, 7(3), 2606–2614. <https://doi.org/10.58258/jisip.v7i1.5389/http>
- Simanjuntak, K. (2015). POLICY IMPLEMENTATION DECENTRALIZATION GOVERNMENT IN INDONESIA. *Jurnal Bina Praja*, 07(02), 111–130. <https://doi.org/10.21787/jbp.07.2015.111-130>
- Siregar, A. (2020). Fraud Triangle Dan Korupsi Di Indonesia. *BALANCE: Jurnal Akuntansi, Auditing Dan Keuangan*, 17(1), 67–81. <https://doi.org/https://doi.org/10.25170/balance.v17i1>
- Sommaliagustina, D. (2019). Implementasi Otonomi Daerah dan Korupsi Kepala Daerah. *Journal of Governance Innovation*, 1(1), 44–58. <https://doi.org/10.36636/jogiv.v1i1.290>
- Suharyo, S. (2014). Optimalisasi Pemberantasan Korupsi Dalam Era Desentralisasi Di Indonesia. *Jurnal Rechts Vinding: Media Pembinaan Hukum Nasional*, 3(3), 365–380. <https://doi.org/10.33331/rechtsvinding.v3i3.31>
- Vel, J. A. C., & Bedner, A. W. (2015). Decentralisation and village governance in Indonesia: The return to the nagari and the 2014 Village law. *Journal of Legal Pluralism and Unofficial Law*, 47(3), 493–507. <https://doi.org/10.1080/07329113.2015.1109379>
- Wasistiono, S. (2020). *Perkembangan Pemikiran Teori Desentralisasi (Thought of Decentralization Theories)* (Vol. 1). <https://pustaka.ut.ac.id/lib/dapu6104-teori-pemerintahan-daerah/>
- Yayan Andi, Y. (2023). Implementasi Kebijakan Penggunaan Dana Desa Dalam Menjaga Integritas Publik di Kecamatan Talegong Kabupaten Garut. *Jurnal Manajemen Publik Dan Kebijakan Publik (JMPKP)*, 5(1), 70–86. <https://doi.org/10.36085/jmpkp.v5i1.4814>
- Zubaedah, P. A., & Hafizi, R. (2022). Sentralisasi Atau Desentralisasi: Pelaksanaan Otonomi Daerah Di Indonesia. *Jurnal Cahaya Mandalika*, 3(3), 865–878.