THE PARTNER IN (PROSECUTING) CRIME: THE ROLE OF INTERNATIONAL ORGANIZATION IN SETTING UP CORRUPTION ERADICATION COMMISSION IN INDONESIA

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Abstrak

Kata kunci
Komisi Pemberantasan Korupsi (KPK), Inisiatif Anti-Korupsi, Lembaga Donor Internasional, Pembangunan Institusi.

The Corruption Eradication Commission (Komisi Pemberantasan Korupsi - KPK) is perhaps the most effective anti-corruption agency ever established in Indonesia, considering unvarying disappointment of previous anti-corruption agencies or initiative either under the Old Order and the New Order era. KPK so far have been able to prosecute a number of high officials regardless of party affiliation as shown on their prosecution of President Susilo Bambang Yudhoyono’s close associate either in government or from the ruling Democratic Party.
During the financial crisis that unexpectedly turned into political and social crisis that brought down the New Order Regime in 1998, there was a fierce criticism toward the international organization – particularly the World Bank. These donors (the World Bank, the Asian Development Bank, the IMF and others), were accused of consistently refused acknowledging the corruption in Indonesia’s economic development for over 30 years of President Suharto reign. Ironically, the World Bank with their landmark publication in 1993 placed Indonesia as one of countries that became the engine of economic growth in the East Asia region and thus in the strong trajectory toward a more prosperous country.3

Realizing that they had to recover its credibility, the donors were becoming more critical on the effect of corruption when Indonesia had to plead for economic and financial aid with weak leverage vis-a-vis donor due to protracted financial, economic and political crisis throughout 1998 - 2002.4

They admitted that the Indonesia institutions which underpinned the economic growth in 1965 - 1998 was very weak and vulnerable, undermined by rampant corruption. Therefore, the donors went further by linking the loans that Indonesia government desperately needed to facilitate its economic recovery with strict conditionality for structural reform with the aim to assist Indonesian reformers within or outside of government in addressing corruption – with one of the assistances was the setting-up of the KPK.

This paper would try to outline how far the impact of International Donors assistance that were based in Indonesia in making KPK through the deliberation process of KPK Law and the institutional building effort during the first term KPK’s leadership (2003 – 2007). In writing this paper a number of primary sources were utilized including government regulations, presidential decrees, government regulations and international donors report. The statement and speeches by the relevant Ministers and the Indonesia Member of Parliament, KPK’s annual report, and leading Indonesia’s newspaper and magazine were also used as primary sources for this paper.
Figure 1: Sovereign Debts as Percentage to GDP


The Drafting of Law No. 30/2002

Article 43 of Law No. 31/1999 stipulated that a Corruption Eradication Commission or Komisi Pemberantasande Korupsi (KPK) should be established within two years. On 5 June 2001, the Wahid government submitted its first bill of the KPK law to the Indonesian national parliament or Dewan Perwakilan Rakyat (DPR) on 5 June 2001. The process of drafting the bill for Law No. 30/2002 was led by the Director General for Laws and Regulations of the Ministry of Justice and Human Rights, Romli Atmasasmita, as well as Amien Soenaryadi and Chandra Hamzah, who both were representing the anti-corruption NGO Indonesia Transparency Society (MTI). There were also a number of people representing the government, other anti-corruption NGOs, and academics that were also part of the preparatory committee; some of them later became commissioners of the KPK. The development of the draft bill on the Corruption Eradication Commission, involved considerably more detail and comprehensive thought than
previous anti-corruption laws, so the committee received technical assistance from the Asian Development Bank (ADB). This technical assistance came in the form of hiring the former Commissioner of Hong Kong’s Anti-corruption Body’s (ICAC) Bertrand de Speville to provide advice to the preparatory committee. Other than hiring Speville, the ADB also provided assistance with the institutional design as well as public consultation on the commission. This technical assistance by the ABD, estimated at around US$ 800,000, also funded comparative studies to learn about other countries’ anti-corruption agencies. In this context the team travelled to China, Singapore, Hong Kong and Malaysia.5

According to Amien Soenaryadi, the former Vice Chairman of the KPK, the team hired former ICAC commissioner because ‘we think that ICAC is the best example for an anti-corruption agency that is working’.6 The bill on the anti-corruption commission submitted to DPR followed a three-pronged strategy: investigation, prevention and education. However, the bill did not completely follow the ICAC’s Hong Kong model. For instance, the ICAC only handled the investigation of corruption cases; the prosecution was handled by Hong Kong’s attorney general because its prosecutor was still ‘clean’. The Indonesian bill, in contrast, ‘adopted the concept of a specialized anti-corruption court’7 as its judicial system also suffered from systemic corruption. Moreover, according to the bill the KPK had a right to conduct searches, to record conversations and to conduct seizures which made the commission more powerful than the ICAC.8

In addition to the ADB, the international community and especially the IMF also played a role in pushing the Indonesian government to ensure that the bill on KPK would be enacted. When Megawati was appointed by the MPR in 2001 to succeed Wahid following his impeachment, her economic team put forward a plan for establishing the Anti-Corruption Commission as part of a broader government pledge to carry out economic, financial and governance reform. According to Coordinating Minister for Economic Affairs, Dr. Dorodjatun Kuntjoro-Jakti, that led the negotiation with the IMF:

We are focusing on structural reform by establishing new institutions to address corruption, like the Anti-Corruption Commission (KPK) and Indonesian Financial Transaction Reports and Analysis Center (Pusat Pelaporan dan Analisis Transaksi Keuangan – PPATK). This decision was made by us based on input from various stakeholders such as Indonesia legal expert, NGOs activist, Indonesian academics and international experts.9
This was outlined in its Letter of Intent (LOI) to the IMF in August 2001 and further elaborated upon in the LOI to the IMF that was signed on 13 December 2001. This LOI outlined the government’s intention to establish the Corruption Eradication Commission in the second quarter of 2002. In the same letter, it also mentioned the intention to establish an independent anti-corruption court and to set out stringent criteria ‘to ensure that only persons who meet strict professional qualification requirements and whose integrity is beyond reproach will be appointed to the commission.’

In the deliberation process of the bill on the Corruption Eradication Commission in parliament, the Megawati government faced some resistance from the ruling parties: the PDI-P, Golkar and the Indonesian Military/Police faction. Golkar, which used to be the sole ruling party during the New Order, objected to the commission being set up as a super body that possessed greater authority than the police and the attorney general.

The position of these parties is not surprising given their links to the past regime, their preference for a strong state, and their nationalist views. However, what was surprising was that the PDI-P, which was led by Megawati herself, which had a history of opposition to authoritarian rule, and which was supposed to support the bill, also had reservations. Indeed, the PDI-P warned that ‘the commission would become the new authoritarian institution in the judiciary and that this would create uncertainty in law enforcement.’ As a result the PDI-P Faction together with the National Awakening Faction or Partai Kebangkitan Bangsa (PKB) Faction wanted the Anti-Corruption Court to be an ad-hoc court rather than a permanent court.

However, the Ministry of Justice and Human Rights which represented the Indonesian government provided a robust, structured and reasonable argument in defense of the critical components of the bill on the Corruption Eradication Commission. The Indonesian government also received support from the factions of several political parties in parliament, especially from the PPP, which was led by the initiator of an article on the anti-corruption body in the corruption eradication law in 1999 – Zain Badjeber, who was also a former judge. Therefore, at the end of the deliberation of the bill on the Corruption Eradication Commission in Indonesia, the DPR accepted the government’s proposal to keep the crucial articles in the original bill, including that ‘there should be an extraordinary measure to tackle chronic and systematic corruption in Indonesia… therefore an independent commission, with a vast authority, free of
interference from other authorities, should be established.'\textsuperscript{17} The establishment of a special anti-corruption court was also in the end accepted by the parliament.\textsuperscript{18}

A compromise between the government and the national parliament was reached on the article on the authority of the KPK taking over cases still being handled by the police or the attorney general’s office. According to Romli Atmasasmita:

\begin{quote}
... the resistance came from the attorney general’s office and a few members of parliament because on the first draft of the bill it was indicated that the Corruption Eradication Commission would handle all the criminal corruption cases and take over from the police and the AGO. Therefore we strategically agreed to the demands from the parliament that the KPK would be the sole authority in handling corruption cases by advancing the concept of ‘unwillingness’ and ‘inability’ to handle corruption cases by the law enforcement agencies as a solution.\textsuperscript{19}
\end{quote}

In the end, the DPR accepted that the KPK could take over the pre-investigation, investigation and prosecution of corruption cases from the police or the AGO with certain conditions within the concept of ‘unwillingness’ and ‘inability’.\textsuperscript{20} With respect to corruption cases that happened before the Law on the Corruption Eradication Commission was enacted, meaning pre-2002, it was agreed that the KPK was only permitted to get involved in cases where the process of pre-investigation, investigation and prosecution had not yet been completed.\textsuperscript{21}

The DPR also had influence on the number of chapters and articles on the Corruption Eradication Commission bill. For example, they expanded the number of commissioners from three to five members, including the chairman.\textsuperscript{22} Then they added the chapter on the procedure for reporting and definition of what constitutes bribery of high state officials and civil servants into the bill.

There were a number of delays in enacting the Corruption Eradication Commission law and it missed the deadline set in the LOI’s of 11 June 2002\textsuperscript{23} and 20 November 2000.\textsuperscript{24} The IMF thus played an important role by pressuring Indonesian government that the Corruption Eradication Commission should be enacted. As Vice Chairman Amien Sunaryadi mentioned, ‘at the time, international pressure was most important. The IMF said if the government did not make the KPK operational, the tranches of the loan would be stopped.’\textsuperscript{25} Thus when the IMF completed the Seventh Review of Indonesia’s program and approved US$365 million disbursement of its loan to the Indonesian government in December 2002, the First Deputy Managing Director of the IMF, Anne Kruger, raised her concerns:
Accelerated progress in implementing legal and judicial reforms and establishing the rule of law is critical to improve governance and strengthen the investment climate, which continues to suffer from the widespread perception of judicial corruption and weaknesses in the legal framework. Establishment of the Anti-Corruption Commission, ongoing reform of the commercial court, and revisions to the bankruptcy law will be important milestones in this effort. 26

In the end at the plenary meeting of the DPR on 29 November 2002, all of the factions of the political parties, including those critical of the first draft of the bill, supported the final version of the bill on the Corruption Eradication Commission to become law. 27 It was signed by Megawati on 27 December 2002, becoming Law No. 30 in 2002. From the submission of the first draft bill by the government in June 2001 it took some 20 meetings 28; many of these meetings lasted over 12 hours.

The KPK: Setting up an Institution

When the first commissioners were inaugurated in December 2003, they had to build an organization from scratch. Initially they did not have an office and thus had to conduct meetings in restaurants and other public places. Sometimes they only communicated through text messages. 29 They also had to spend their own money to pay the salaries of their administrative staff, although this was later reimbursed. In these less than ideal circumstances, it is not surprising that the KPK had to initially focus on institution-building. Indeed, according to Ruqi the first program of the KPK was ‘to establish and later improve the institutional capacity of the KPK.’ 30 At the same time, there was a lot of public pressure on the KPK to start investigating and prosecuting as its far-reaching authority had raised expectations within society. Balancing the two was somewhat problematic as the KPK law stipulated that once an investigation had started it had to proceed to trial. That meant it was crucial for the KPK to have the institutional capacity as well as the investigative capacity in order to provide strong evidence for a successful prosecution. As a result, it was not until almost a year later, after the KPK had established its organization and procedures, that it was able to announce its first prosecution on a corruption case. 31

While the lack of government support during the initial phase of institution-building was certainly a challenge, it was also a blessing in disguise. Indeed, it will be argued here that it was exactly this lack of government support in the initial
phase that prevented the KPK from suffering the same fate as other newly established state agencies which had to accept the Indonesian civil service rules for running their organizations. Instead, the KPK had the luxury of adopting international anti-corruption agency best practice, of developing their own human resource system, of enforcing a culture of integrity and applying technology to all organizational operations. It will be further argued that developing its own resource system was of particular importance as the civil service system was one of the main causes of corruption in Indonesia due to its rigid, hierarchical, inflexible, and non-transparent remuneration system and human resource management. However, the KPK still needed government regulations to formalize this exemption from civil service. After extensive lobbying, the KPK got an exemption from the civil service rule on its staffing policy through a government regulation that was issued in December 2005, two years after the KPK’s commissioners were inaugurated. Thus the KPK adopted a more simplified salary system with financial incentive components based on performance. The performance evaluation and personnel development of the KPK was based on measurable, clear and actual performance indicators like a ‘balance score card’. Furthermore, the regulation allowed the KPK to have its own fair and transparent recruitment policy.

The KPK moved quickly with its institution-building efforts aided by the multi-donor agency Partnership for Governance Reform (PGR) which provided a grant of around $220,000 for developing a vision and mission for the organization. The PGR also helped with the formulation of human resource management guidelines and assisted with the development of strategic planning and the selection process of a number of staff from the Audit Wealth of State Official Commission (KPKPN) that was dissolved into KPK. One of the most important components of the PGR’s support was the development of a detailed and thorough code of conduct for every member of staff in the KPK. The PGR realized that as the KPK’s authority was far-reaching there was a danger of abuse of power. Therefore, it pushed for a code of conduct to safeguard the KPK’s staff, including the conduct of the KPK commissioner. If there was an accusation of abuse of power, the commissioner would be investigated by an ethics panel consisting of the other commissioners, an adviser of the KPK, and two independent figures. Assistance to the KPK also came from the Asian Development Bank (ADB) which provided $250,000 to develop a standard operating procedure for investigating and prosecuting corruption cases. Moreover, the World Bank allocated a grant of $350,000
to fund various training initiatives for KPK staff as part of a capacity building program, especially for their investigators and prosecutors.\textsuperscript{38}

The KPK launched its recruitment campaign under the slogan of ‘Indonesia calling’. It received some 1,100 applications for the posts of directors and deputies. In order to select the best candidates, the KPK hired a professional human resource consultant to prepare examinations and tests to help find the best candidates. In the end, the KPK managed to recruit 10 people, 7 from multinational companies such as Citibank and British Petroleum.\textsuperscript{39}

The KPK utilized information technology in two ways for law enforcement purposes. First of all, the IT system was used by the KPK commissioners to monitor all activities carried out by the investigator and prosecutor when they were processing a case. This was to make sure that the evidence was safely kept and that the prosecutor would not use more lenient sentences in the indictment of the corruptors.\textsuperscript{40} The other purpose of the IT system was surveillance so that the corruptor would be caught in the act when giving or receiving a bribe. The director of IT in the KPK set up teams for electronic-surveillance and computer-forensic teams to perform this task. This team got technical assistance from other anti-corruption bodies from Hong Kong, Singapore and Malaysia.\textsuperscript{41} The IT forensic team made their debut in utilizing surveillance when they arrested General Election Commission or \textit{Komisi Pemilihan Umum} (KPU) member Mulyana W. Kusumah. Kusumah was caught accepting a bribe in April 2005 from a whistleblower who reported it to the KPK.\textsuperscript{42}

Eventually, the KPK received significant support from President Susilo Bambang Yudhoyono based on his promised to address corruption during the presidential election in 2004. This came primarily in the form of a sufficiently large state budget allocation. In the first year when they had just started setting up its organization, the KPK managed to secure more than Rp 19 billion (around US$ 2.0 million) in 2004. By the end of 2009, the budget allocation had increased more than 10 times to around Rp 315 billion (around US$ 32 million).\textsuperscript{43}
## Figure 2. Some International Donor’s Activities in Supporting Corruption Eradication Commission or other anti-corruption initiatives

<table>
<thead>
<tr>
<th>Donor Project</th>
<th>Partner</th>
<th>Title</th>
<th>Description</th>
<th>Location</th>
<th>Dates</th>
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<tbody>
<tr>
<td>The Asian Development Bank (ADB).</td>
<td>BPK, BRR, KPK, MoF, Bawasda</td>
<td>Fiduciary Component</td>
<td>The fiduciary oversight component will comprise four principal sub-components: (i) capacity building the Supreme Audit Institution (BPK) to carry out external auditing on the Aceh funds utilization; (ii) restoration of the internal control and funds channeling systems in the Director General of Treasury in MOF; (iii) restoring the capacity of the local government internal audit structures (Bawasdas); and (iv) providing support to the Commission for Eradication of Corruption in Indonesia.</td>
<td>Jakarta and Aceh</td>
<td>July 2005 to Dec 2007</td>
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<tr>
<td>AusAID - Legal Development Facility (LDF)</td>
<td>Supreme Court, KPK, Attorney General, CSOs</td>
<td>Strengthening legal institutions; empowering CSOs</td>
<td>Training for the prosecutors, judges and police; support for the cooperation among anti-corruption agencies in Southeast Asia; TA for KPK; anti-money laundering</td>
<td>Jakarta and selected provinces</td>
<td>April 2004 to 2009</td>
</tr>
<tr>
<td>Danida</td>
<td>Corruption Eradication Commission (Komisi Pemberantasan Korupsi)</td>
<td>Support to Corruption Eradication Commission</td>
<td>Corruption prevention in local parliaments (DPRD) and through Anticorruption Campaign; enhancing democracy through Parliament (DPD/DPR), strengthening KPK’s collaboration with civil society anti-corruption actors; increasing KPK IT capacity; capacity building in relation to establishing a basket fund for donor contributions.</td>
<td>Indonesia</td>
<td>January 2005-December 2006</td>
</tr>
<tr>
<td>European Commission</td>
<td>Partnership for Governance Reform in Indonesia</td>
<td>Support for the Indonesian Governance Trust Fund</td>
<td>European Commission support to the Trust Fund aims to promote democracy and good governance in Indonesia through the development of transparent and accountable systems and operations required in Indonesia's social institutions to ensure that the democratic process becomes irreversibly anchored in the fabric of Indonesian society.</td>
<td>Indonesia</td>
<td>Started 2002</td>
</tr>
<tr>
<td>JICA</td>
<td>KPK</td>
<td>Criminal identification techniques on crime related computer data (Anti-Corruption Investigation)</td>
<td>Training of KPK staff on criminal identification techniques on crime related computer data. The technique is expected to be utilized for extracting and analyzing the data which can be obtained from computers confiscated from criminals and crime organizations.</td>
<td>Jakarta</td>
<td>March-05</td>
</tr>
<tr>
<td>Organization / Partner-sh ip</td>
<td>Agency</td>
<td>Program Area</td>
<td>Training Activity</td>
<td>Duration</td>
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<td>JICA / UNAFEI</td>
<td>KPK</td>
<td>Corruption Control in Criminal Justice Training</td>
<td>Training of KPK staff to achieve ability to analyze the current situation of corruption, to explore current problem relating to corruption in the criminal justice system and their solutions at the investigation, prosecution an trial levels, to explore general measures to prevent corruption and to enhance international cooperation in corruption cases.</td>
<td>Japan October 2005 – November 2005</td>
<td></td>
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<tr>
<td>Partner-sh ip / EU</td>
<td>Anti Corruption Commission (KPK)</td>
<td>&quot;Crash Program&quot;</td>
<td>As a follow-up of the ADB TA this program intends to support KPK in overcoming immediate challenges. It will support KPK to implement its SOP by supporting capacity building in search warrants, basic intelligence and witness protection utilizing the newly established training facility of the national police JCLEC in Semarang. The program will also support an international expert team to conduct a compliance review of the UNCAC and the national legislation in Indonesia to identify gaps and devise a roadmap for Indonesia to be able to ratify and implement the UN Convention in the near future. Additional studies will be conducted on the prosecutors’ roles and on grey area issues. The crash program targets that at least 5 cases will be brought to court within the project’s lifetime.</td>
<td>National mid of August 2005 - August 2006</td>
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<tr>
<td>Partner-sh ip / Sida (Sweden)</td>
<td>Bappenas</td>
<td>Supporting Public Consultation Process of the National Action Plan against Corruption</td>
<td>Objectives of this project: (1) Guarantee the Implementation of Anti-Corruption National Action Plan, with the involvement of CSO and pressure from DPR; (2) Facilitating CSO involvement in the implementation and monitoring of RAN; (3) Facilitating public consultation and socialization of Anti Corruption National Action Plan in a participative manner; (4) Facilitating the partnership process to build coordination between community and the Government.</td>
<td>National May 2005-July 2006</td>
<td></td>
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<tr>
<td>Partner-sh ip / EU</td>
<td>Corruption Eradication Team under the Attorney General of Special Crime (Jampid-sus)</td>
<td>Support to the Special Anti-Corruption Team</td>
<td>This program will provide support to the Special Anti-Corruption Team set up by the President through the Presidential Decree No. 11/2005. The Team is specifically assigned to investigate corruption in 4 Departments, 16 state enterprises, and the State Secretariat. This program will provide support among others in the form of provision of expert opinion based on in depth research on various issues. This program will also</td>
<td>National mid of August 2005 - August 2006</td>
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Royal Nether-lands Embassy / World Bank | Nether-lands - Indonesia Program for Legal and Justice Sector Reform: A Grant Program administered by the World Bank | Strengthening Court Performance (including the institutional needs of the Supreme Court, the District Courts and other lower courts, Specialized Courts, the Judicial Commission, and the Constitutional Court), Strengthening Law Enforcement (including the institutional needs of the Attorney General’s Office and provincial and district level prosecutors offices, the National Police, and the Anti-Corruption Commission), Strengthening Legal Environment (including the needs of other Indonesian state agencies in the field of law, such as the Department of Law and Human Rights and government law bureaus), Strengthening Supporting Institutions (including support for the institutional needs of civil society organizations focused on legal and judicial reform and codes of ethics, professional associations, legal aid bureaus, and law faculties and Enhancing Access to Justice (including support for needs assessments and local initiatives aimed at building legal awareness and access to legal aid, enhancing the levels of transparency and scrutiny of the formal legal process and supporting the better functioning of and widening access to alternative mechanisms for dispute resolution) | National | February 2005 – 2008

USAID | The Asia Foundation together with Anti-Corruption Court and the Center for Law and Policy Studies (PSHK) | Manual for the Administration of Corruption Cases | Although part of the general court system, the procedural law for the Anti Corruption Court has some specific characteristics, for example, a strict time limit for disposing cases and the requirement that ad-hoc judges sit on the judicial panel. Due to these special characteristics, it is essential that adjustments be made to the case administration procedures to ensure that corruption cases are dealt with effectively and in a timely manner. These adjustments will result in systemic changes that are intended to promote greater transparency to the court process. | National | February 2005 - August 2005

World Bank/ Government of Indonesia | The Ministry of Finance | Govern-ment Financial Management and Revenue Administration | This investment project includes support to i) Public financial management: a functioning separate treasury, a treasury single account, a revised budget classification and a new chart of accounts, an implemented IFMIS, a pilot central government e-procurement system, legislative and public oversight of budget formulation and execution, and | Jakarta | Commenced November, 2004
strengthened public audit; (ii) Tax administration and customs: use of upgraded management and information systems by tax offices, tax courts and customs offices; modernized compensation regimes; use of upgraded training facilities; implemented trade facilitation measures resulting in reduced customs clearance and processing times; established feedback mechanisms involving external stakeholders to continuously assess the impact of the modernization.

| World Bank | KPK | Human Resource Capacity Building of the Anti-Corruption Commission | The grant includes three components, i) identification of training needs and regional on-the-job training options and arrangements, through the provision of advisory services; ii) provision of training to the KPK staff, through targeted and tailor-made programs, and study tours and exchange programs in relevant institutions abroad, to gain new skills and apply these in their respective assignments and areas of responsibility, through the provision of advisory services study tours and training; and iii) development of a comprehensive human resource development plan to encompass training needs identified directly by the KPK senior management, through the provision of advisory services and training. | Jakarta | 2004-2006 |

Source: Corruption Eradication Commission (Komisi Pemberantasan Korupsi – KPK)’s Donor Matrix list as of September 2005.

Conclusion

Throughout the deliberation process of Corruption Eradication Commission bill, the international donors played some roles in help facilitating the formulation of the bill with assistance provided by the Asian Development Bank (ADB). However, it was the Ministry of Law and Human Rights who led the process and provided guidance for the formulation of the bill with crucial input incorporated in the bill were mainly coming from Indonesia NGOs and former commissioner of Hong Kong’s anti-corruption body (ICAC), Bertrand De Speville. Then, the International Monetary Fund (IMF) helped reformer in Indonesian government by pushing for the enactment of KPK bill in Indonesia parliament as part of the requirement for crucial economic and financial aid loan disbursement.

During the transition from President Megawati to the newly elected President Susilo Bambang Yudhoyono in 2004, the KPK received assistance from various donors
to fill in the resource gap due to lack of financial, organizational and human resources from the government. The strong leadership of KPK commissioners in 2004 – 2007 through a regular coordination donors meeting helped ensures that there was no overlapping and had help avoid any misuse of donors’ assistance. Therefore, the KPK would be able to tap the strength of each donor and was efficiently utilizing it for helping various institutional building activities especially by setting up its organizational infrastructure.

The assistance provided by donor helped establish a strong platform for the KPK commissioners, particularly for developing its organizational capacity in conducting investigation and prosecution as shown by the handling KPK’s initial case on corruption in Aceh Province. The KPK in December 2004 – September 2005 had convincingly convicted Aceh Governor, Abdullah Puteh, on a number of cases, inter-alia, corruption cases on the helicopter purchasing that was made in June 2002. By winning its first case, the KPK managed to prosecute other high profile cases and successfully build momentum to mobilize public support for its subsequent prosecution work.

It was apparent that the leadership of KPK Commissioners in 2004 – 2007, played a major role in utilizing the donors’ resources that was available. This was in the midst of a number of donors assistance for other anti-corruption initiatives ended in disappointment due to the lack of buy-in from the government or simply the assistance that was offered more of donor driven rather than in line with the Indonesia’s interest. Therefore, the donors assistance was a crucial cushion that was utilized effectively by the KPK Commissioners until the new government under the newly elected President in 2004 Susilo Bambang Yudhoyono supplied substantial funding and resource toward the KPK.

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Letter of Intent of the Government of Republic of Indonesia to the International Monetary Fund, 11 June 2002.


Presidential Decision Decree number 45/2004 on transfer of organizational, administrational and financial resource from the KPKPN to the KPK.


Endnotes

1 The author would like to thank you Amien Sunaryadi, Vice Chairman of Corruption Eradication Commission in 2004 – 2007, for providing intellectual and data support for this article. Dr. Kirsten Schulze, Associate Professor in International History, at the London School of Economics (LSE), provided valuable assistance to the author in sharpening the argument in this article.
2 Andi A. Mallarangeng, who was Presidential Spokeperson in 2004 - 2009 and later was promoted to Minister of Youth and Sports, was forced to resign from his ministerial position after it was announced as suspect by KPK in multibillion rupiah corruption case involved the construction of mega sports facility Project located in Hambalang (West Java) on early December 2012. Then afterwards, KPK named the Chairman of Democratic Party, Anas Urbaningrum, as a suspect in the same ‘Hambalang Case’ thus forced him to resign from his political party post in early February 2013.
3 The publication by the World Bank which was launched with such a fanfare in Indonesia entitled ‘the East Asian Miracle’
4 Contrary to the rosy picture given before the crisis, one decade later in 2003 the World Bank issued their landmark report ‘Combating Corruption in Indonesia.’ This report contained critical analysis on corruption under President Suharto and after and provide some recommendations in addressing corruption in Indonesia.
7 Interview with Erry Ryana Hardjapamekas, Vice Chairman of Corruption Eradication Commission (KPK) in 2004 – 2007, 30 August 2012 in Jakarta.
11 Letter of Intent of the Government of Republic of Indonesia to the International Monetary Fund, 13 December 2001, point 45 and point 46 in Section V on Legal Reform, Governance and other Structural Programs in supplementary Memorandum of Economic and Financial Policies,
12 ‘Lahir dari Kemandulan (Born out of Impotence)’, Tempo Magazine, 30 December 2012, pp. 72 – 76.
16 ‘Lahir dari Kemandulan (Born out of Impotence)’, Tempo Magazine, pp. 72 – 76.
18 Ibid.
20 Law number 30/2002 on Corruption Eradication Commission, article 9.
22 Law number 30/2002 on Corruption Eradication Commission, article 21 point 1 and point 2.
Letter of Intent of the Government of Republic of Indonesia to the International Monetary Fund, 11 June 2002, Table 2. Structural Benchmarks (June 2002-December 2002).


Ibid., article 13 and article 14.

Ibid., article 11.


Ibid.


Curis, Inviting a Tiger into Your Home, p. 12.
