E-Retribution as an Effort to Break the Corruption Chain (Study of Market E-Retribution Implementation in Surakarta City)

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Abstract

Retribution is one of the most important regional revenues. Managing levies manually has a large potential for fund leakage and transparency issues. This study aims to describe the implementation of e-levies in the traditional markets of Surakarta city as an effort to break the chain of corruption. This research is a qualitative descriptive study. The research was conducted at Klewer Market and Surakarta City trade service. The results of the study indicate that E-retribution can increase transparency, accountability and community participation in supervision so that corruption can be minimized.

Keyword: E-retribution, Implementation, Corruption

INTRODUCTION

Corruption is a serious problem faced by the Indonesian people nowadays. Based on the release from Transparency International Indonesia, the Corruption Perception Index (CPI) or the Corruption Perceptions Index (CPI) in 2018, Indonesia was 89th with a score of 38. The result rose seven the rate compared to 2017 which was 96th with a score of 37. This indicates that, Indonesia is not a little better or worse in terms of corruption. A score of 38 is still relatively very low, because the government categorized clean has a maximum score of 10.

Corruption in Indonesia occurs almost on all lines of government. In Indonesia, bureaucratic corruption or according to Mahmood (2005) corruption in the civil administration does not only occur in the headquarters, but has spread to the regions. Because of the widespread of corruption cases in Indonesia, many people argue that corruption in Indonesia is still considered as endemic, systemic and widespread (Lubis, 2005). Corruption like this happens in all levels of government, not only in the...
headquarters but also in the regions. In fact, since the enactment of regional autonomy, there has been a sharp increase in the tendency of corruption in Regional Governments (Rinaldi, Purnomo, and Damayanti, 2007).

Regional autonomy gives great authority to the regions to manage their own households. To be able to carry out optimal regional autonomy, sufficient funds are needed. Local governments must begin to look for sources in their area to be relied upon as the backbone of Regional Original Revenue (PAD). This then becomes a problem of its own when the rampant cases of corruption have an impact on regional income. The rise of corruption of course brings a detrimental impact to the state and society. The impact of corruption is very broad economic, social and poverty, the collapse of government authority, politics and democracy, the impact of law enforcement, defense and security, and even environmental issues. In addition to inhibiting economic growth, corruption also impedes the development of a democratic governance system. Corruption fosters the tradition of carrying out acts that benefit themselves clandestinely, while closing the possibility for the weakest citizens to enjoy development and a better quality of life (Pope, 2008).

One of the most potential and vulnerable regional income to corruption is retribution. Regional retributions are regional levies as payments for services or special allowances that are specifically provided and/or given by the regional government for the benefit of private or business entity. One of the regional retribution is market retribution. This market retribution is included in the general service retribution which provides a potential contribution to the improvement of community development and welfare. For this reason, the Regional Government must properly use the results of the Market Retribution.

Surakarta City has 44 markets so the potential for market retribution is very large. Management of market retribution is carried out by the Office of Trade and Market Management. Withdrawal of market retribution, initially carried out manually. Retribution officers go to traders for payment of retribution every day. retribution withdrawal using this system raises various problems, as revealed by the Head of Trade Office (DISDAG), Solo, Subagiyo, they are the collection process takes a long time and the number of officers that must be deployed, the number of traders who delay the retribution payment up to months, transparency and lack of control which causes a high potential for leaks of retribution.

Overcoming these problems, the Surakarta local government imposed e-retribution. E-retribution is expected to increase the effectiveness of retribution withdrawals, so that the costs can be reduced and can increase transparency so as to prevent corruption. Based on this background, this paper describes the implementation of e-retribution in breaking the chain of corruption.

**RESEARCH METHOD**

The type of research in this study is descriptive qualitative research. The data obtained by observation, interviews and documentation. The informants are the trade service, market officers and the community. Data analysis in this study uses data analysis from Miles & Huberman’s interactive analysis model.
FINDING AND DISCUSSION

The E-retribution implementation was carried out by the Surakarta government in collaboration with several banks namely Bank Negara Indonesia (BNI) and Bank Tabungan Negara (BTN). This collaboration is a form of implementation of Collaborative Governance which is expected to help Surakarta City in creating better government performance and governance. Ansell and Gash (2008) define collaborative governance “A governing arrangement where one or more public agencies directly engage non-state stakeholders in a collective decision-making process that is formal, consensus oriented, and deliberative and that aims to make or implement public policy or manage public programs or assets.” BNI and BTN as partners of the Government facilitate the community by providing electronic machinery and application technology. In addition, this collaboration also avoids people from "plcit" banks or moneylenders. The public will be facilitated in making savings and loan in the bank with low interest. These advantages certainly help the community and government in solving various problems among traders. As stated by Jung et al. (2009) that collaborative governance is the process of forming, driving, facilitating, operationalizing and monitoring the arrangements of cross-sectors organizations in resolving public policy issues that cannot be solved with only one organization or the public itself.

E-retribution is a payment of market retribution with a system of electronic retribution withdrawal. The use of information and communication technology is very important in order to optimize the public service process that is efficient, transparent and effective (Kurniawan, 2006). Traders are now facilitated in making payments. By filling in the e-retribution card balance at the designated bank, and the trader can make payments easily on the machines provided. Nonetheless, the government stays to place market management offices to help the community if they experience problems using the E-Retribution machine. The government also provides Bank BTN or BNI offices to deal with obstructed retribution problems or technical problems on machines which is troubled during usage. The role of the government here is to oversee the retribution process by providing market offices managed by market management services placed in each traditional market in Surakarta city. The government usually checks market retribution to prevent illegal levies.

The existence of E-Retribution that are carried out in every traditional markets in the city of Surakarta to facilitate the city government in managing its regional income more efficiently and accountable. E-Retribution system put traders to follow the development of the era with the help of technology to be secure, fast, and easy e-levy payment because traders simply tapping on a machine reader that has been provided. The existence of e-retribution is very helpful for traders and the government themselves in time-efficient work because they do not have to withdraw retribution tax per kiosk. Traders can also control payment taxes every month by only tipping the machine. Community control here is very important as an effort to prevent corruption. Just like the one presented by Klitgaard (1998a; 1998b) which states that the anti-corruption strategy must also be directed at strengthening the role of the community in monitoring the government and strengthening public accountability.

The positive impact of using E-retribution is very large. The difference between the existence of Retribution and E-Retribution is the way of work that is done by the trade service that has to go around per kiosk to do the withdrawal result on the officers' inefficient working time. This caused a lot of complaints from the retraction officers. With the existence of E-Retribution proclaimed by the government, it can streamline the time of the officers. De Asis (2006) there are five strategies that can be
done to eradicate corruption, namely increasing transparency and accountability, assessing political desires and entry points to start, encouraging community participation, diagnosing existing problems, and reforming using a holistic approach.

Based on the results of the study, there are various benefits obtained by the E-retribution from both the government and the merchants. The government’s advantage with the existence of e-retribution is the existence of transparency in managing retribution, and efficiency of work time. The use of special machinery makes leakage reduced so that it can reduce regional income revenue (PAD) deviations. The benefit for the community is being able to control the payments, easy payments, keep traders away from illegal levies done by fraudulent individuals and time efficiency. Market e-retribution makes it easy for traders and governments to monitor the retribution management on a regular basis. Such benefits are expressed by Indrajit (2002) that the application of e-Government has many benefits, among others, improving the quality of government services to its stakeholders, Increasing transparency, control, and accountability in government administration, significantly reducing the total administrative costs, relations, and the interactions issued by the government and stakeholders for the purposes of daily activities, provide an opportunity for the government to obtain new sources of income through its interaction with stakeholders, creating a new community environment that can precisely answer the various problems faced, empowering the community and other parties as government partners in the process of making various public policies equally and democratically. The same thing is also conveyed by Salam (2004), the most important benefit of implementing e-Government is the realization of a more accountable government for its citizens. Callahan (2007) also states that public accountability is not only directed internally (government superiors only), but also aimed at other stakeholders such as the community. With the implementation of e-retribution, government accountability to the community is easier to implement.

The application of E-Retribution can break the chain of corruption. This is evidenced by a significant increase in PAD. Before 2017, market retribution was only around IDR 15 billion/year. Whereas in 2017 after some markets were applied e-retribution, the income reached Rp20.4 billion. This is because e-retribution can improve governance and supervision systems that have been weak. This is as presented by Pope (2008) that currently the most powerful approach to eradicate corruption throughout the world is still in efforts to improve the governance standards of the National Integrity System. Shah (2007), also stated that the occurrence of corruption in the public sector is highly dependent on a number of factors, namely (1) the quality of public sector management; (2) the nature (condition) of the relationship of accountability between government and society; (3) legal framework; and (4) the level of the process of the public sector is complemented by transparency and dissemination of information. There are four strategies that can be done to provide different results in efforts to eradicate corruption, namely focusing on law enforcement and punishment of perpetrators, involving the public in preventing and detecting corruption, carry out main public sector reform efforts, including activities to strengthen accountability, transparency and supervision, as well as strengthen the rule of law, improve the quality of anti-corruption Laws, handle money laundering actions, and promote good governance (Widjajabrata and Zaechea, 1991).
CONCLUSION

E-retribution is an attempt by the Surakarta government to break the chain of corruption. E-retribution increases transparency, accountability, and community participation in conducting supervision. The government’s advantage for the existence of e-retribution is the presence of transparency in managing retribution, and efficiency of work time. The use of special machines makes leaks can be reduced so as to reduce the deviation of regional revenue (PAD). The advantage for the community is being able to control payments, easy payments, keep traders away from illegal levies by fraudulent individuals and time efficiency. Market e-retribution makes it easy for traders and governments to monitor the management of retribution on a regular basis.

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