STATE FINANCIAL CORRUPTION AND ITS IMPACT ON DEVELOPMENT

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ABSTRACT

Purpose: This research aims to analyze the impact of corruption on individual and community development, economics and politics as well as public sector services.

Method: The type of research used is normative legal research using an analytical approach.

Result and Conclusion: The impact of corruption on individual and community development, economics and politics as well as public sector services, namely the Impact of Corruption on Individual and Community Development can trigger people's distrust of the government. This triggers public apathy towards the programs being or will be planned by the government. Eliminating the nature of cooperation between the community and the government. The Impact of Corruption on Economic Development sluggish economic growth and investment, decreasing productivity, low quality of goods and services, decreasing state income from the tax sector, and rising national debt. The impact of corruption on political development hampers the government's function as the guardian of state policy because it hampers the government's role in regulating allocations, equalizing access and assets, and maintaining economic and political stability. The impact of corruption on public sector services causes bureaucracy to become inefficient and causes higher administrative costs.

Keywords: Corruption, State Finances, Development.
Método: El tipo de investigación utilizada es la investigación jurídica normativa utilizando un enfoque analítico.

Resultado y conclusión: El impacto de la corrupción en el desarrollo individual y comunitario, la economía y la política, así como en los servicios del sector público, es decir, el impacto de la corrupción en el desarrollo individual y comunitario, puede desencadenar la desconfianza de la gente hacia el gobierno. Esto desencadena la apatía pública hacia los programas que están siendo o serán planeados por el gobierno. Eliminar la naturaleza de la cooperación entre la comunidad y el gobierno. El impacto de la corrupción en el desarrollo económico ralentiza el crecimiento económico y la inversión, disminuye la productividad, la baja calidad de los bienes y servicios, disminuye los ingresos estatales del sector tributario y aumenta la deuda nacional. El impacto de la corrupción en el desarrollo político obstaculiza la función del gobierno como guardián de la política estatal porque obstaculiza el papel del gobierno en la regulación de las asignaciones, la igualdad de acceso y activos, y el mantenimiento de la estabilidad económica y política. El impacto de la corrupción en los servicios del sector público hace que la burocracia se vuelva ineficiente y cause mayores costos administrativos.

Palabras clave: Corrupción, Finanzas del Estado, Desarrollo.

1 INTRODUCTION

National development is part of the effort to realize the goals of the Indonesian state as stated in the fourth paragraph of the Inauguration of the 1945 Constitution of the Republic of Indonesia, namely to protect the entire Indonesian nation and all of Indonesia's blood and to advance the general welfare, educate the life of the nation, and participate in implementing world order, based on freedom, eternal peace, and social justice. So the Indonesian government must make this happen.

However, efforts to realize the ideals of the Indonesian nation always experience strong obstacles and threats from the Indonesian people themselves, namely from the corrupt behavior of their human resources. Why is that? Because criminal acts of corruption are acts/deeds against the law that have a direct effect on state finances or the state economy. Every corrupt act carried out by a person or corporation can cause a reduction or loss of state finances which should be used for national development. This means that researchers firmly say that corruption is a social parasite that becomes an obstacle and destroys the course of government and development. This means that an act of corruption is considered perfect if it causes losses to state finances or the state economy.

In the Corruption Law there is a combination of criminal procedure and civil procedure in Indonesia's legislative policy to eradicate criminal acts of corruption(Saragih et al., 2024)

Efforts to eradicate criminal acts of corruption have been carried out for a long time. Especially for Indonesia itself, we can see the long history of the Indonesian nation, starting...
from the Old Order government until today. Eradication efforts continue to be carried out, starting from the enactment of laws and regulations regarding the eradication of criminal acts of corruption, the threat of heavier penalties, the establishment of anti-corruption institutions established by the government, state, and private higher education institutions, NGOs, as well as academics and kya. /ustad, religious institutions, and community leaders. However, this does not reduce the occurrence of criminal acts of corruption. The presence of the Corruption Eradication Commission (KPK) is not enough to stem the corrupt behavior of the Indonesian people. "Breaks grow and disappear and change" or "one death grows a thousand" are proverbs that are suitable to be attached to criminal acts of corruption that occur in Indonesia.

Indonesia and all countries in the world make the phenomenon of corruption a concern. As an extraordinary crime, corruption is a serious problem in all areas of life and can have negative effects, endangering the stability of the state and society, undermining socio-economic development, as well as politics, as well as destroying moral and democratic values which in turn can take root into a justified culture. Extra handling in eradicating corruption in order to achieve the ideals of a just and prosperous society (Suprayoga et al., 2023)

Data shows that the level of corruption in Indonesia is still relatively high, ranking 96th out of 180 countries in the world. This position shows that Indonesia is a country that is prone to criminal acts of corruption (Hartono et al., 2022).

**Figure 1**

*Indonesia's Corruption Ranking*

![Indonesia's Corruption Ranking](image)
The level of corruption which is still relatively high creates problems that can affect the human development index in Indonesia (Economics, 2022). According to the United Nations Development Program (UNDP), 3 (three) dimensions influence the human development index, namely education, life expectancy & health, and living standards (UNDP, 2022). Of these three dimensions, corruption can affect the quality of education, life expectancy & health. How could it not be, that the budget that should be allocated for school repairs, provision of teaching materials, scholarships, and other educational facilities and infrastructure, must be reduced or lost due to corruption. Likewise, the budget that should have been allocated for building hospitals, building community health centers, providing medical equipment, and providing free health insurance for those who cannot afford it, as well as other health facilities and infrastructure, has been reduced or exhausted due to corruption.

Apart from the 3 (three) dimensions above, corruption also influences the economic and political development of Indonesia. How could it not be, the budget that should be provided for the construction of roads, airports, and ports to strengthen the distribution of goods and services, development of the tourism sector to attract foreign tourists, and the development of new economic points, is being hampered because the budget allocation is reduced. From a political perspective, this corruption influences power holders in making policies. Please note that criminal acts of corruption are categorized as white-collar crimes. This categorization refers to the type of perpetrator who comes from a high economic class or a level of power holder who together with his cronies commits criminal acts of corruption (Mustafa, 2007). That is, most of the policies issued only benefit themselves or their corrupt groups and ignore the public interest.

Based on the description above, researchers want to examine the impact of corruption on individual & community development, economics and politics as well as public sector services.

2 THEORETICAL FRAMEWORK

2.1 CORRUPTION: DEFINITION AND NATURE

Etymologically, the word corruption comes from the Latin corruptio or corrupts which also comes from the word corrumpere, an older Latin word. Latin has descended into many European languages such as English, corruption, corrupt, French, corruption, and Dutch, corruptie (korruptie). Thus, it can be concluded that the word "corruption" in Indonesian comes from Dutch. (Hamzah, 2005).
Klitgaard stated that Corruption = Monopoly Power + Discretion · Accountability. This formula implies that corruption occurs when a person has a monopoly of power and considerable discretionary authority but is unaccountable to public scrutiny. Although this viewpoint focuses more on the causes, it attempts to describe the crime. Stuart defined corruption by dividing it into grand and petty categories. Grand corruption is committed by high-level presidents, ministers, and public officials and involves large sums of money. The second definition involves low-level employees with small sums of money, such as low-level civil servants, customs officers, or traffic police. (Ali et al., 2023)

In general, Indonesia's ranking in terms of the corruption index in 2021 is very high, ranking 96th out of 180 countries. Indonesia's ranking is however below African countries such as Ethiopia (ranked 87), Tanzania (ranked 86) and Ghana (ranked 73), although Indonesia is more corrupt than Malaysia, which is a neighboring and allied country. The sector that contributes the most to corruption cases in Indonesia is the government from central to regional structures including village governments. The UN and the Council of Europe have indicated that the recovery aspect still takes precedence over the prosecution and detention process. (Kasim et al., 2023)

2.2 ERADICATION OF CORRUPTION CRIMES

Article 1 point 4 of the Corruption Eradication Commission Law No. 9 of 2019 (amendment to the Corruption Eradication Commission Law No. 30 of 2002) states that the Eradication of Corruption Crimes is a series of activities to prevent and eradicate the occurrence of criminal acts of corruption through efforts to coordinate, supervise, monitor, investigate, investigate, prosecute, examination in court, with community participation by statutory provisions. Therefore, three things need to be underlined, namely 'prevent', 'eradicate' in the sense of taking action against perpetrators of corruption, and 'community participation'.

Fijnaut and Huberts emphasize that:

"... It is always necessary to relate anti-corruption strategies to the characteristics of the actors involved (and the environment they operate in). There is no single concept and program of good governance for all countries and organizations, there is no 'one right way'. There are many initiatives and most are tailored to specific contexts. Societies and organizations will have to seek their solutions". (Anti-corruption strategies should always be linked to the characteristics of the actors involved (and the environment in which they operate). There is no one concept and program of good governance for all countries and organizations, there is no 'one right way'. There are many initiatives and
most of them are tailored with specific contexts. Communities and organizations must find their solutions.

From this statement it can be understood that it is very important to link strategies or efforts to eradicate corruption by looking at the characteristics of the various parties involved and the environment in which they work or operate. There is no single answer, concept or program for every country or organization. There are so many strategies, methods or efforts, all of which must be adapted to the context, society and organization being targeted. Every country, society and organization must find their way to find a solution.

Consideration "considering" letter b Corruption Eradication Commission Law No. 9 of 2019 states that in carrying out the function of law enforcement to eradicate corruption, the Police, Prosecutor's Office and the Corruption Eradication Commission (KPK) as institutions that handle Corruption Eradication cases need to increase their synergy so that each can be efficient and successful in eradicating efforts. Criminal acts of corruption based on the principles of equality of authority and protection of human rights. Handling of corruption cases, criminal acts in the field of taxation, criminal acts in the field of customs, criminal acts in the field of excise, criminal acts of money laundering, and serious human rights violations that qualify as special criminal acts are carried out based on the applicable criminal procedural law, unless otherwise specified. otherwise in the law that regulates it. The handling of special criminal cases includes investigation, prosecution and examination in court, including determining the status of evidence.

Corruption has been a very serious legal problem for several years, from the Old Order era, the New Order era, to the Reformation era. Therefore, one of the reform mandates in 1998 was the birth of Law No. 31 of 1999 concerning the Eradication of Corruption Crimes. The preamble to the law states that criminal acts of corruption are very detrimental to state finances or the economy country and hinder national development, so it must be eradicated in to create a just and prosperous society based on Pancasila and the 1945 Constitution. The consequences of criminal acts of corruption that have occurred so far have not only caused financial losses the country or the country's economy, also hinders the growth and continuity of national development which demands high efficiency.

Corruption has been seen as a vicious cycle that revolves around all factors and actors, both in the legislative, executive and judicial institutions. This phenomenon should receive attention from all groups, because it not only harms the country's finances and/or economy, but can also damage the nation's image in the international world. (Semma, 2008)
In every criminal act in the economic sector, including corruption, there are at least three components that are always inherent in it, namely the perpetrator, the criminal act committed and the proceeds of the crime. For perpetrators of criminal acts, wealth or assets from criminal acts are the "live blood of crime" or the backbone of crime, which means that the proceeds of crime are likened to the "blood flow" that feeds the crime itself, as well as being the weakest point in a chain of crime. (Husein, 2008) Based on this understanding, law enforcement should begin to be directed towards the Follow the Money concept, replacing the Follow the Suspect concept by examining the flow of funds from downstream to upstream and then confiscating/confiscating assets/assets that are suspected to be proceeds of the criminal act. (Husein, 2007)

3 METHODOLOGY

The type of research used is normative legal research, namely bibliographic research of various statutory regulations and other legal literature related to the legal issue being studied. Normative legal research is understood as research to test applicable norms or provisions. Apart from that, it is also said to be research carried out by examining library materials. Because this research focuses on library materials, normative research is often also called doctrinal research or library research (Irwansyah, 2020). The research approach can help researchers to obtain information from various aspects by the legal issue being studied (Marzuki, 2013a). The research approach was chosen to find answers to legal issues in legal research. Therefore, the suitability between the approach and the legal issue is the main consideration in making the selection. The research approach used in this paper is analytical, namely an approach carried out by knowing the meaning contained in the terms used in statutory regulations conceptually, as well as knowing their application in practice and legal decisions. This is done through two examinations: (1) the researcher tries to obtain new meanings contained in the legal regulations in question. (2) testing these legal terms in practice through analysis of legal decisions. So basically the task of legal analysis is to analyze the meaning of law, legal principles, legal rules, legal systems and various juridical concepts (Marzuki, 2013b).

4 RESULT AND DISCUSSION

Corruption is defined with many words, the World Bank defines it as the abuse of public power for private gain. Transparency International defines corruption as the behavior of public
officials, both politicians and civil servants, who unreasonably and illegally enrich themselves or enrich those close to them, by abusing the public power entrusted to them (Shoim, 2009). Lamijan and Mohammad Tohari stated that there are 5 (ima) types, including: (1) giving or receiving gifts or promises (bribery); (2) in-office embellishment; (3) in-office extortion; (4) participate in the procurement of goods and services (for government employees or state administrators); and (5) receiving gratuities (for civil servants or state administrators) (Lamijan & Tohari, 2022). Ahmad Fahd added two, namely (1) corruption related to embezzlement in office; and (2) corruption related to fraudulent acts (Suryanto, 2021).

Regardless of how corruption is interpreted, this criminal act is very detrimental and hinders the development and development of a country, for example in economic terms. Many empirical studies show that corruption has consequences that can reduce investment levels, reduce the productivity of public spending, distort resource allocation and ultimately result in hampered economic growth. The impact of corruption on this economic aspect can hamper economic development, both in developing and developed countries. Thus, many countries are starting to seriously consider the dangers of corruption to the economy by establishing institutions or departments that can prevent and control corruption (Lutfi et al., 2020). In Indonesia itself, there is a special institution that independently handles criminal acts of corruption, namely the Corruption Eradication Commission (KPK). Even so, corruption still occurs. The author believes that this corruption has become a common thing that Indonesian people hear about, just as Covid-19 has become the "new normal" amid Indonesian life, so does corruption. We are so furious when we hear that power holders (usually public officials) are corrupt, but this is considered normal because public officials are synonymous with criminal acts of corruption. For example, the Hand Arrest Operation (OTT) of 41 out of 45 members of the Malang City DPRD by the KPK (Alim et al., 2021). Likewise, the Mataram City DPRD OTT extorted funds for rehabilitation assistance for educational facilities affected by the earthquake in Lombok, NTB (Yozami, 2018).

If we look at how this criminal act of corruption occurred and mushroomed, the author tries to relate it to Luwrence M. Friedman's understanding of the legal system (Burlian, 2015). The author loosely interprets that the legal system consists of elements of legal structure, legal substance and legal culture. The legal system (these three elements) is a unity (combination) of "primary rules" and "secondary rules". Primary rules are behavioral norms (habits), secondary rules are norms that will decide whether the norm is valid, how to enforce it (implement it).
Referring to the legal structure, namely "the structure of a system body of the system, the tough, rigid bones that keep the process flowing within bounds. We describe the structure of the judicial system when we talk about the number of judges, the jurisdiction of courts, how higher courts are stacked on top of lower courts, what persons are attached to various courts, and what their roles consist of." The legal structure is legal institutions that support the upholding of the legal system (Friedman, 1975). This section relates to the legal order, legal institutions, law enforcement officials and their authority, legal instruments, and their processes and performance in implementing and enforcing the law (Pahlevi, 2022). From the elements of this system, criminal acts of corruption occur because the legal apparatus is weak in handling and prosecuting perpetrators of criminal acts of corruption. Worse, it is the law enforcers themselves who are the perpetrators of criminal acts of corruption or at least help the perpetrators of criminal acts of corruption to escape the law. These include Prosecutor Pinangki who was sentenced to 10 years in prison, Supreme Court Justice Sudrajad Dimyati who was OTT with the Supreme Court Registrar Desy Yustria and civil servant MA Albasri, Constitutional Court Judges Patrialis Akbar and Akil Mochtar, Corruption Court Judges (Kartini Marpaung, Heru Kisbandono, Pragsono, Asmadinata, Ramlan Cute, Merry Purba, etc.) (Fajarlie, 2022a). There has been corruption within the KPK, namely the naming of one of the KPK investigators as a suspect in the bribery case handling cases in Tanjung Balai (Fajarlie, 2022b). Not to mention criminal acts of corruption committed by officials outside of legal institutions. The following is data on corruption cases from 2019-2021:

**Table 1**

_Corruption Case Data for 2019-2021_

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Cases</th>
<th>Number of Suspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>172</td>
<td>351</td>
</tr>
<tr>
<td>2020</td>
<td>169</td>
<td>250</td>
</tr>
<tr>
<td>2021</td>
<td>209</td>
<td>482</td>
</tr>
</tbody>
</table>

Source: (Yawang et al., 2023)

The data above shows that the trend of corruption cases continues to increase every year. Logically, we think that the data presented is a case of criminal acts of corruption discovered by the Corruption Eradication Commission. What about those that are not found, there could be more than this, such as the phenomenon of icebergs at the poles, the tip of which is only slightly visible, while under the sea that is not visible, there are bigger icebergs.
4.1 THE IMPACT OF CORRUPTION ON INDIVIDUAL AND COMMUNITY DEVELOPMENT

Research in 37 countries in 1998 by Gupta, Davoodi and Alonso found that corruption had a significant impact on social inequality, both in terms of education, land distribution and income. The impact of corruption on income is stronger (Setiadi, 2018). Indeed, if we look at certain groups of people in a certain area, of course we find that there are rich and poor. This shows that corruption hurts the sense of social equality and social justice. Corruption causes sharp and significant differences between individuals and certain social groups, especially in terms of income, prestige, even power, etc.

Corruption also destroys the standards of values in society. Individuals or communities who often see or hear about criminal acts of corruption by public officials, ASN or law enforcers, will lose their standard of values. They will be like that too once they enter government. The value of glory in government and society is lost. Theobald stated that corruption creates a climate of greed, selfishness and cynicism (Theobald, 1990). This greed causes a loss of concern for others, corrupt people only care about themselves without thinking that the effects of corruption will be detrimental to other communities, only putting the interests of the corrupt individual or group first.

Another long-term effect is the damage to individuals as the nation's next generation. Individuals who consider corruption to be normal (even a culture), because they often see and hear about it, causing their personalities to become accustomed to dishonest acts, stealing and irresponsibility. If this continues to happen, the development of the younger generation (individuals or society) will be damaged, the generation created will be a generation that will go backwards and damage the nation.

Meanwhile, efforts to educate and make individuals or communities healthier are increasingly hampered by corruption. For example, through education and health, funds that should be used to establish schools, repair school buildings, scholarships, school operational assistance funds (BOS), and other educational activities to improve the quality of education for individuals and society are hampered. Likewise, the budget for public health, building hospitals, providing medical equipment, health financial assistance in the form of health insurance, etc., has disappeared.

The results of monitoring carried out by Indonesian Corruption Watch (ICW) in 2021 are as follows: (Anandya et al., 2021)
Table 2

Case Mapping by Region in 2021

<table>
<thead>
<tr>
<th>No.</th>
<th>Province</th>
<th>Number of Cases</th>
<th>Value of State Losses (Rp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>East Java</td>
<td>42</td>
<td>308,860,104,402</td>
</tr>
<tr>
<td>2.</td>
<td>West Java</td>
<td>40</td>
<td>162,941,784,973</td>
</tr>
<tr>
<td>3.</td>
<td>Central Java</td>
<td>37</td>
<td>414,644,768,501</td>
</tr>
<tr>
<td>4.</td>
<td>NTT</td>
<td>34</td>
<td>1,345,472,662,989</td>
</tr>
<tr>
<td>5.</td>
<td>South Sulawesi</td>
<td>30</td>
<td>68,088,415,582</td>
</tr>
<tr>
<td>6.</td>
<td>Central Kalimantan</td>
<td>23</td>
<td>31,187,821,856</td>
</tr>
<tr>
<td>7.</td>
<td>Bali</td>
<td>23</td>
<td>172,488,352,591</td>
</tr>
<tr>
<td>8.</td>
<td>Maluku</td>
<td>23</td>
<td>41,756,399,980</td>
</tr>
<tr>
<td>9.</td>
<td>Central Sulawesi</td>
<td>21</td>
<td>58,004,874,591</td>
</tr>
<tr>
<td>10.</td>
<td>North Sumatra</td>
<td>18</td>
<td>168,134,555,088</td>
</tr>
<tr>
<td>11.</td>
<td>North Sulawesi</td>
<td>18</td>
<td>49,449,390,494</td>
</tr>
<tr>
<td>12.</td>
<td>North Maluku</td>
<td>17</td>
<td>17,611,749,833</td>
</tr>
<tr>
<td>13.</td>
<td>South Kalimantan</td>
<td>15</td>
<td>8,039,790,167</td>
</tr>
<tr>
<td>14.</td>
<td>Riau</td>
<td>14</td>
<td>7,033,843,335</td>
</tr>
<tr>
<td>15.</td>
<td>Banten</td>
<td>14</td>
<td>10,110,700,927</td>
</tr>
<tr>
<td>17.</td>
<td>South Sumatra</td>
<td>13</td>
<td>569,579,383,785</td>
</tr>
<tr>
<td>18.</td>
<td>West Kalimantan</td>
<td>13</td>
<td>14,335,939,374</td>
</tr>
<tr>
<td>19.</td>
<td>Papua</td>
<td>13</td>
<td>85,685,471,675</td>
</tr>
<tr>
<td>20.</td>
<td>Lampung</td>
<td>12</td>
<td>80,047,892,656</td>
</tr>
<tr>
<td>21.</td>
<td>NTB</td>
<td>12</td>
<td>830,910,692,080</td>
</tr>
<tr>
<td>22.</td>
<td>National</td>
<td>12</td>
<td>23,139,422,622,806</td>
</tr>
<tr>
<td>23.</td>
<td>Bengkulu</td>
<td>9</td>
<td>18,308,184,809</td>
</tr>
<tr>
<td>24.</td>
<td>West Papua</td>
<td>9</td>
<td>25,777,720,376</td>
</tr>
<tr>
<td>25.</td>
<td>Jambi</td>
<td>8</td>
<td>15,855,261,000</td>
</tr>
<tr>
<td>26.</td>
<td>DKI Jakarta</td>
<td>8</td>
<td>1,203,945,562,472</td>
</tr>
<tr>
<td>27.</td>
<td>Southeast Sulawesi</td>
<td>8</td>
<td>205,688,269,431</td>
</tr>
<tr>
<td>28.</td>
<td>Kep. Riau</td>
<td>7</td>
<td>254,115,467,899</td>
</tr>
<tr>
<td>29.</td>
<td>West Sumatra</td>
<td>6</td>
<td>4,649,474,200</td>
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<tr>
<td>30.</td>
<td>West Sulawesi</td>
<td>5</td>
<td>6,477,543,659</td>
</tr>
<tr>
<td>32.</td>
<td>IN. Yogyakarta</td>
<td>4</td>
<td>5,843,068,000</td>
</tr>
<tr>
<td>33.</td>
<td>Gorontalo</td>
<td>4</td>
<td>28,159,606,049</td>
</tr>
<tr>
<td>34.</td>
<td>East Kalimantan</td>
<td>3</td>
<td>53,400,000,000</td>
</tr>
<tr>
<td>35.</td>
<td>North Kalimantan</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>29,438,537,001,313</td>
</tr>
</tbody>
</table>

Source: ICW 2022

Imagine with total state losses of Rp. **29,438,537,001,313**.- (Twenty-nine trillion, four hundred and thirty-eight billion, five hundred and thirty-seven million, one thousand three hundred and thirteen), if allocated for individual and community development in the fields of education and health, could have a very significant impact.

The final thing is that corruption can trigger people's distrust of the government. This triggers public apathy towards the programs being or will be planned by the government. Eliminating the nature of cooperation between the community and the government.
4.2 THE IMPACT OF CORRUPTION ON ECONOMIC DEVELOPMENT

The criminal act of corruption has an energetic destruction effect on various aspects of the life of the nation and state, especially in terms of the economy as the main driver of social welfare (Rachmawati, 2022a). At least, there are several impacts that criminal acts of corruption have on economic development, including:

First, sluggish economic growth and investment (Rachmawati, 2022b). A country's economic growth relies heavily on investment because domestic capital is insufficient. If conditions in a country tend to be corrupt, then private entrepreneurs, both local and multinational throughout the world, will think hard about providing investment, and, certainly, they will not provide it at all. Because the entrepreneur will incur costs for the perpetrator of corruption, the cost of "conspiring" with the perpetrator of corruption. This is referred to as stealth costs. This happens in both the public and private sectors. This means that corruption increases the cost of the agreement because there are illegal payments (corruption), not to mention if in the future the investment project must stall or stop because the corruption case is detected. This disrupts the economic stability of trade between countries now and in the future because it is triggered by distrust of capital owners towards corrupt countries.

Second, declining productivity (Rachmawati, 2022b). Investments that fail to come in due to corruption will cause a decline in productivity. It cannot be denied that productivity will continue to decline in line with weak economic growth and investment. This happens because development and capacity building in the industrial and manufacturing sectors are hampered. Production improvement programs involving various initiatives, including the establishment of new factories and production companies, or efforts to increase the production capacity of existing companies, are hampered by a lack of investment. This decline in productivity will also cause other problems, such as mass layoffs and increasing unemployment. The result is community poverty, large-scale poverty.

Third, the low quality of goods and services (Rachmawati, 2022b). Corruption reduces the quality of goods and services available to society by reducing compliance with construction safety requirements, materials and manufacturing requirements, health requirements, and environmental requirements, or other regulations. We can see in road construction projects, which are damaged before their time, as well as school buildings, bridges, etc. This is due to the chaos caused by corrupt actors by moving budgets to projects that are easy to bribe or corrupt. For example, the Hambalang project has been stalled during the SBY administration until now.
Fourth, the decline in state income from the tax sector (Rachmawati, 2022b). Tax systems are used by most countries around the world to finance government spending to provide public goods and services. Taxes have two functions: price stabilization and inflation control. On the other hand, taxes also function as income redistribution, which means that taxes paid by the state will be used for development and creating more job opportunities, which will ultimately improve people's welfare. Many employees and tax officials commit fraud to enrich themselves, worsening the situation of declining tax sector revenues.

Corruption in the taxation sector also has very dangerous effects on society. Many people are reluctant to pay taxes because they feel that the money used to pay taxes is being stolen by corruptors. In various media, many ASNs in taxation have shown off their unreasonable wealth. Looking at the ASN class, his salary should not be able to buy such luxurious items. This means that corruption in the tax sector can lead to reduced tax revenues.

Fifth, increasing state debt (Rachmawati, 2022b). This is nothing new anymore. If development capital fails to be obtained through investment, then another way is to take debt. Corruption that occurs in a country will cause a budget deficit. Meanwhile, the development of a country must continue, even if it is slow. Like it or not, a country must be in debt to other countries. This can have fatal consequences if the debt is not paid, the country could be disbanded/bankrupt. For example, Sri Lanka went bankrupt because it failed to pay foreign debts (including to the IMF) amounting to 51 billion US Dollars or the equivalent of Rp. 729 trillion, Greece was declared bankrupt on June 30, 2015, due to its debt reaching 360 billion Euros or the equivalent of Rp. 5,000 trillion. Likewise, Venezuela, Ecuador, Argentina and Zimbabwe are threatened with bankruptcy due to debt. This means that corruption could create a world recession because of debt.

4.3 THE IMPACT OF CORRUPTION ON POLITICAL DEVELOPMENT

Political power obtained through corruption will produce governments and community leaders who cannot be trusted by the general public. If this happens, people will not trust the government and leaders, so they will not obey and submit to them. This means that the government's function could be barren. Because the institution where the corrupt person works will have its credibility tarnished, and the impact will be social. For example, in the prosecutor's office, the author explained previously regarding Pinangki prosecutors, the public will lose their trust, as well as in judges. Not to mention the KPK investigators who were named suspects in the bribery case handling cases in Tanjung Balai. Gradually, the Corruption Eradication
Committee (KPK) will lose its credibility and will no longer be considered independent. Likewise, what is currently hotly discussed by the public and politicians is related to ethical violations by the Constitutional Court regarding Decision Number 90/PUU-XXI/2023 which changed the conditions for presidential and vice presidential nominations so that Gibran Rakabuming Raka could nominate himself as a Vice Presidential Candidate. This includes abuse of office, even if there is no material or financial loss to the state.

Apart from that, corruption can hamper the government's function as a guardian of state policy because it hinders the government's role in regulating allocations, equalizing access and assets, and maintaining economic and political stability. Therefore, the demands of a reasonable government will be ignored by a corrupt government. To a certain point, this can cause people to lose sensitivity, which in turn is detrimental to society.

4.4 IMPACT OF CORRUPTION ON PUBLIC SECTOR SERVICES

This kind of corruption most often occurs in the form of bribery. To get maximum service, some people pay more just for fast and good service. Public officials and their staff must provide excellent service. For example, in processing land certificates. People who need land certificates to use as a way to obtain capital through bank loans are forced to give more money to brokers (which can be ASN or not) apart from formal payments for a quick certificate settlement process. with other public services, processing BPJS, KTP, Business License, Driver's License, STNK, etc. It's better if the bribe is done just to speed things up, it becomes dangerous if it violates other regulations, for example by falsifying letters, forging signatures, taking other people's rights. Public officials in the land sector can be lured (gratifications) of money or bribed to certify land that does not belong to that person. Of course, apart from being a bribe or gratification that violates the law, titling land that is not owned by you is also a criminal act.

Corruption, in its various forms, causes bureaucracy to become inefficient and leads to higher administrative costs. If corruption surrounds the bureaucracy, the basic principles of a rational, efficient and quality bureaucracy will be lost. The quality of service is very poor and the public is disappointed. People with means can only receive good service because they can bribe. This situation can lead to social inequality, social unrest, and ultimately social anger, which in turn can lead to the downfall of bureaucrats.
5 CONCLUSION

The impact of corruption on individual and community development, economics and politics as well as public sector services, namely the Impact of Corruption on Individual and Community Development can trigger people's distrust of the government. This triggers public apathy towards the programs being or will be planned by the government. Eliminating the nature of cooperation between the community and the government. The Impact of Corruption on Economic Development sluggish economic growth and investment, decreasing productivity, low quality of goods and services, decreasing state income from the tax sector and rising national debt. The impact of corruption on political development hampers the government's function as the guardian of state policy because it hampers the government's role in regulating allocations, equalizing access and assets, and maintaining economic and political stability. The impact of corruption on public sector services causes bureaucracy to become inefficient and causes higher administrative costs.

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