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One Term Plus 2 Years of SBY: Social Justice Further Away than Ever

Indonesia's political and bureaucratic elite has been ransacking the public purse. President Susilo Bambang Yudhoyono (SBY) admitted precisely that ("the public purse has been ransacked") after inaugurating his second United Indonesia Cabinet. Considering that he has been head of state for the past 7 years such an admission is clear evidence that SBY lacks the capacity to lead. On his watch, not only has the public purse been ransacked but the realization of every Indonesian's dream of achieving social justice for all has receded further from sight. Seknas FITRA's reflections on all of this are as follows:

1. Current Budgetary Processes Benefit a Rent-Seeking Political Elite: The expense of politicking and the nature of Indonesian budgetary processes motivate the political elite to engage in budgetary rent seeking. Political leaders—both in parliament in Senayan and within the Cabinet—are expected to be a source of income for their political parties. That means they have to return money spent on the last electoral campaign, put together a pot of money for the next one and generally enrich themselves at the expense of the State budget. Our ailing budgetary system provides ample opportunity for such people to seek to benefit, systematically and on a grand scale, from every step of the budgetary process and from virtually any area of budget appropriations.

2. In the past seven years the national Audit Board (BPK) has reported on budgetary misappropriations totaling Rp 103.19 trillion. BKP recommendations on cases involving just Rp 37.87 trillion of that total have been followed up. Only Rp 17.93 trillion has so far been confirmed as having been embezzled and of that just Rp. 1.8 trillion has been re-credited to the public purse. Of the 305 cases (involving Rp 33.6 trillion) already in the hands of law enforcement agencies, no action has yet been taken on 139. This accumulated plundering of the public purse over seven years has turned BPK audits into annual rituals that not only do not have any positive effect but don't even act as a deterrent to would-be budget thieves. And all this has happened because of SBY's weakness and lack of firm direction as head of government.

3. Expenditure of the Rp. 89.5 billion official travel vote has amounted to something of a feeding frenzy for the bureaucracy. Travel votes have consistently risen every year, as have the number of abuses

associated with official travel. The Audit Board's report on central government finances (known as LKPP) for 2009 identified abuse of official travel funds totaling Rp 73.5 billion. That figure rose to Rp 89.5 billion across 44 ministries and agencies in audit reports on the first half of 2011. And yet, each year, SBY has been urging the bureaucracy to save money on official travel and be selective about travel. But misappropriation has occurred over and over again. And the whole problem can be sheeted back to the Presidential palace.

How can a person be a agent for change or a role model for saving money when, after installing his second United Indonesia Cabinet, he authorizes expenditure of Rp 278 billion for the purchase of official motor vehicles? The vehicles in question were: 79 Toyota Royal Saloons for government officials; 9 Presidential VVIP Mercedes Benz S-600s; 32 VVIP security escort Mercedes Benz CDIs; 2 Presidential VVIP Mercedes Benz G-500s; 8 Toyota Innovas for official adjutants; and 8 Toyota Avanzas for official female adjutants.

4. The policy framework of the 2012 draft budget postpones even further realization of social justice for all Indonesians. Indeed the 2012 budget is shaping up to be the worst budget for 5 years. The skewed nature of its policies is evident from the allocation of Rp 215.7 trillion for costs associated with Indonesia's 4.7 million civil servants; and four times less than that (just Rp 50 trillion) for reducing poverty levels among Indonesia's 31 million poor. This level of civil service funding (Rp 215.7 trillion) has made civil service costs the biggest single line item in the budget, eclipsing subsidies which had been the previous No. 1 ticket item. Although capital expenditure has now reached Rp 168 trillion, only Rp 54.6 trillion of that amount is to be spent on infrastructure that will play an economic role. This scenario leads Seknas FITRA to ask President SBY to take concrete and resolute action to put a stop to the plundering of the public purse and to rectify imbalances within the budget by way of the following:

1. Putting in place better regulations on political party and campaign funding to put downward pressure on the currently high cost of politicking;
2. Streamlining processes at every stage of budget discussion—both within the government and within the House of Representatives—to shut the door on would-be pillagers of the public purse;
3. Ensuring that national Audit Board reports are treated as true measures of bureaucratic performance and that every report is followed up both within the bureaucracy and by law enforcement institutions;
4. Getting the Presidential palace to lead the way on budget savings on items such as official travel and provision of facilities for civil servants.
5. Re-basing the budget on the Constitutional mandate requiring that it should be managed in order to maximize public welfare.

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