

FORENSIC ACCOUNTING AND SYMPTOMS OF CRIME OF CORRUPTION IN THE ELITE OF POLITICAL PARTIES

Rudi Feri Hendra¹, M.Syahrul Borman², Siti Marwiyah³, Vieta Imelda Cornelis⁴

rudiferihendra@gmail.com¹, m.syahrul.bormansh@unitomo.ac.id²,

siti.marwiyahsh@unitomo.ac.id³, vietacornelis11@gmail.com⁴

Universitas Dr.Soetomo

ABSTRACT

This article explains the role of forensic accounting in eradicating corruption. Forensic accounting is known as a forensic audit which is a special assignment to address trends in fraudulent practices. There are several indicators of the causes of fraud in political corruption, namely factors; pressure, opportunity, rationalization, competence, and arrogance. In this context, the stages of forensic accounting include; investigative audits, forensic audits and litigation aimed at overcoming political corruption cases. Therefore a forensic accountant is needed who has the skills and knowledge of accounting, law, investigation, which can uncover major corruption frauds so as to find evidence that will eventually be brought to court and can be used as a basis for making court decisions. This research uses a qualitative method with a literature study approach and collects related data and documents. This article argues that forensic accounting is very effective in detecting and playing a role in the process of eradicating political corruption practices. This article also argues that forensic accounting can encourage anti-fraud literacy in political parties through the implementation of a whistleblowing system. This article argues that forensic accounting is very effective in detecting and playing a role in the process of eradicating political corruption practices. This article also argues that forensic accounting can encourage anti-fraud literacy in political parties through the implementation of a whistleblowing system. This article argues that forensic accounting is very effective in detecting and playing a role in the process of eradicating political corruption practices. This article also argues that forensic accounting can encourage anti-fraud literacy in political parties through the implementation of a whistleblowing system.

Keyword: *Forensic Accounting, Corruption Crime, Political Party Anti-Fraud.*

INTRODUCTION

Criminal acts of corruption in Indonesia are still happening, even though the anti-corruption campaign has been rolled out by the Corruption Eradication Commission (KPK). The anti-corruption campaign is not enough to be a deterrent to the desire to commit a criminal act of corruption. Corruption is said to be a shadow that always follows wherever the subject of power is, so that wherever the power is, there is a loophole for committing criminal acts of corruption (Huntington, 1968). When examined by Girling's (1997) review, corruption is not a moral problem for each individual, but a problem that is inherent in the structure of the political economy, so that in many cases acts of corruption are increasingly formed in a structured and systematic way. But the central point in the vortex of corruption is political parties, meaning that he is the main actor in acts of corruption as well as a role in preventing the occurrence of criminal acts of corruption. Because political parties are channels for giving birth to politicians.

But the facts speak otherwise, political parties have not been able to distance their cadres from the practice of criminal acts of corruption. This can be tracked by the increasing arrests of political cadres in the government, thus adding to the list of party cadres who have been ensnared in corruption cases. Identification states that political parties have not been able to guide cadres with integrity and capability who are free from corruption cases and have not been able to become the front guard in efforts to eradicate

corruption cases. This indicator proves that the integrity of the managers of political parties in an effort to integrate anti-fraud values, especially in terms of corruption, is still very far away. Moreover, it is exacerbated by the mechanism of recruitment of political party cadres which is carried out which is only looking for political candidates who can donate more money to political parties, not to contribute their integrity to the progress of the party. No less sad, ahead of the political contestation in 2019 political parties need candidates who have sufficient capital even though the cadres are former corruptors who want to become candidates for the legislature and not looking for candidates for people's representatives with new faces and have clean track records (Arianto, 2020).

This is what causes the rise of the party giving birth to cadres who are not clean. The failure of political parties to instill anti-corruption values has also caused many party cadres to forget the code of ethics. Even though all parties are anti-corruption, the facts speak differently because many party cadres who become state officials aim not for the public interest, but to pursue the coffers of people's money and there is also pressure from political parties which often require their cadres to pay operational fees for the continuity of the party. , the amount of fees depends on the position occupied. This series of errors must be stopped immediately. If not, then the symptoms are increasingly making political parties the most corrupt institutions in Indonesia. The recruitment process is not just handing out a piece of paper in the form of "facts of integrity" but also being responsible for the people to no longer remain silent watching their cadres commit corrupt practices. This happened not the fault of the system or the minimal party funding crisis. However, this mistake occurred absolutely and was directly directed at the political party officials who could not sort out the cadres strictly.

A series of trainings for candidates for regional heads and legislatures to comply with the facts of integrity that were held as clear evidence that political parties have not succeeded in carrying out the regeneration of prospective leaders in a systematic, tiered and comprehensive manner. So that resilience is very vulnerable and there is very little chance of preventing acts of corruption. Corruption Watch (ICW) records prove that there have been 579 corruption cases that have been prosecuted in Indonesia throughout 2022. This number has increased by 8.63% compared to the previous year's 533. From these cases, 1,396 people have been charged with corruption suspects in the country. The number also increased by 19.01% compared to 2021 when there were 1,173 suspects (Indonesian data, 2022). This means that corruption is an extraordinary crime and it is time for us to demand the commitment of political parties to make political corruption a common enemy, meaning that the people's political commitment has been proven by holding rallies, demonstrations, discussions, statements of opinion, analysis and suggestions for the immediate abolition of this practice. KKN (corruption, collusion and nepotism) (Tuasikal, 2017). It's time, waiting for the courage of political parties to guide the people as a filter not to elect cadres who have indications of corruption. Involving the public in participatory supervision can reduce the occurrence of criminal corruption. Slowly but surely political parties survive in aggregating the interests of the people without having to commit acts of corruption. meaning that the people's political commitment has been proven by holding rallies, demonstrations, discussions, statements of opinion, analysis and suggestions for the immediate elimination of KKN (corruption, collusion and nepotism) practices (Tuasikal, 2017). It's time, waiting for the courage of political parties to guide the people as a filter not to elect cadres who have indications of corruption. Involving the public in participatory supervision can reduce the occurrence of criminal corruption. Slowly but surely political parties survive in aggregating the interests of the people without having to commit acts of corruption. meaning that the people's

political commitment has been proven by holding rallies, demonstrations, discussions, statements of opinion, analysis and suggestions for the immediate elimination of KKN (corruption, collusion and nepotism) practices (Tuasikal, 2017). It's time, waiting for the courage of political parties to guide the people as a filter not to elect cadres who have indications of corruption. Involving the public in participatory supervision can reduce the occurrence of criminal corruption. Slowly but surely political parties survive in aggregating the interests of the people without having to commit acts of corruption. looking forward to the courage of political parties to guide the people as a filter not to elect cadres with indications of corruption. Involving the public in participatory supervision can reduce the occurrence of criminal corruption. Slowly but surely political parties survive in aggregating the interests of the people without having to commit acts of corruption. looking forward to the courage of political parties to guide the people as a filter not to elect cadres with indications of corruption. Involving the public in participatory supervision can reduce the occurrence of criminal corruption. Slowly but surely political parties survive in aggregating the interests of the people without having to commit acts of corruption.

By involving political cadres, a new scheme is needed to prevent and detect corruption by using forensic accounting. Forensic accounting is urgently needed in preventing and dismantling by using knowledge such as accounting, law, investigations so that evidence can be found which will later be brought to court if needed (Yulistianingsih, et.all, 2020). This success depends on investigation and evidence and does not rule out investigation and prosecution (Claudia, 2018). The forensic accounting unit which will later be tasked with assisting the performance of investigators in conducting forensic audits and maximizing returns on state losses due to criminal corruption. In other words, the effectiveness of forensic audits in detecting fraud is very effective and very influential in eradicating corruption. (Syahputra & Urumsah, 2019; Mamahit & Urumsah, 2018; Daurrohmah & Urumsah, 2018; Wiratmaja, 2010). One of the roles of forensic accounting is whistleblowing, through this channel the public can participate in reporting all indications of fraud committed by political parties. Whistleblowing is a disclosure to find out the criteria for fraud being reported by including the basic principles of 4W + 1H. One of the roles of forensic accounting is whistleblowing, through this channel the public can participate in reporting all indications of fraud committed by political parties. Whistleblowing is a disclosure to find out the criteria for fraud being reported by including the basic principles of 4W + 1H. One of the roles of forensic accounting is whistleblowing, through this channel the public can participate in reporting all indications of fraud committed by political parties. Whistleblowing is a disclosure to find out the criteria for fraud being reported by including the basic principles of 4W + 1H.

Based on this background, the article focuses on the role of accounting in the symptoms of corruption in political party elites, because forensic accounting studies are still limited to corruption in general and have not specifically elaborated on corruption. Thus, the difference between this research and previous research is more on the practice of fraud in the public sector involving political party elites. Thus, this article refers to the question of what is the role of forensic accounting in detecting and preventing criminal acts of corruption by political party elites and the limitations of this article regarding the role and implications of forensic accounting in efforts to detect and prevent eradication of criminal acts of corruption within political party elites.

METHODS

The research method used in this study is a qualitative method with data collection carried out using the library research method in collaboration with various kinds of literature in the form of books, journals and literature relevant to the writing theme. This library method was chosen in order to combine the findings with the same theme as previous studies and current studies (Zed, 2008). That way, confirmation of previous studies can find elements of novelty in future studies with similar themes.

RESULTS AND DISCUSSION

Forensic Accounting and Corruption Crimes in Political Party Elites

A political party is an organization that is very prone to acts of corruption. Moreover, the high operational costs to exist in the national political arena that makes political parties require large funds. Even for legislative elections at the level of the DPR RI, it costs around 1-2 billion for each electoral district. This phenomenon causes the cadres of political parties to become money-hunting economists which has an impact on decreasing the electability of the party before the public. Apart from that, the strengthening of market ideology and the decline of party ideology, the prominence of packaged politics, is based on imagery and the individualization of political struggles. For example, a number of political party elites since the reform era have been involved in criminal acts of corruption, such as the General Chairperson of the Democratic Party, President of the Prosperous Justice Party, The general chairman of the Golkar Party, which made public trust decrease. For this case, the main mode of action is bribery (Arianto, 2020). In addition, in the case of Imam Nahrawi, he was proven guilty of accepting bribes to disburse grants from the Ministry of Youth and Sports to the Indonesian National Sports Committee as well as gratuities worth Rp. 8.6 billion while in office and the KPK prosecutor assessed that Imam Nahrawi was proven to have received bribes worth Rp. 11.5 billion (Arianto, 2021). There have been many ideas to suppress acts of corruption so that political parties are more independent rather than depending on funding sources outside the party. So far, political party funds are regulated in law. however, it is still not able to prioritize aspects of transparency that can be accessed by the public, even political party funding on member dues proves that it cannot depend solely on member dues, because the need to participate in electronic political contests depends on various donations. Contributions from other parties are one of the means to meet the funding coffers of political parties. Seeing this fact, the possibility of fraud committed by political parties is getting bigger.

This is where the role of forensic accounting is to detect fraud tendencies. A forensic accountant can assist various parties in gathering evidence and resolving legal cases with new evidence which will later be processed in court. Forensic accountants have the right to carry out examinations by conducting procedural audits to detect whether there is a suspicious action in an organization (Lidyah, 2016). Forensic accounting practices include (1) settlement of disputes between individuals (2) private companies with various legal forms, closed companies or those that trade their shares or bonds on the stock exchange, joint ventures, special purpose companies (3) companies whose shares are partially or wholly owned by the state, both at the central and regional levels (BUMN/BUMND) and finally the central and regional government departments/ministry, MPR, DPR/DPRD and other state institutions (Tuanakotta, 2016). Furthermore, the stages of forensic accounting in detecting fraud are (1) problem identification (2) discussion with the client (3) preliminary examination (4) development of an inspection plan (5) follow-up examination

(6) preparation of a report (7) the forensic auditor issues a kind of audit report forensics.

The identification of forensic accounting further emphasizes the track record of forensic accounting as a legal accounting process that prioritizes investigations in solving a fraud case. So that forensic accounting is a combination of accounting, auditing, and investigative skills that produce specificity. In order of special skills of forensic accountants, namely auditing skills with 87.54%, investigative abilities with 66.78%, investigative intuition with 59.17, critical and strategic thinking with 57.44% and integrating analysis results and findings with 40.48%. In addition, a forensic accountant needs to understand additional scientific knowledge, such as information technology, psychology and law (Arianto, 2021). In the context of criminal acts of corruption, the role of forensic accounting is quite widely used to uncover various cases of corruption and bribery, Like the Century Bank case, the BPK began tracing the flow of bailout funds worth Rp. 6.7 trillion by forming a special forensic audit team of 60 people to trace the flow of funds (Kontan, 2011). Likewise in several cases of criminal acts of corruption involving political parties such as Democrats, Golkar, PPP and PKS.

Because without a forensic audit team that has been formed by the KPK, it will certainly be difficult to track indications of fraud with its ability to quickly track evidence. Because the perpetrators of corruption are quick to eliminate evidence. As research by Yulistianingsih, et.all (2020) argues that forensic accountants have influence in detecting corruption fraud and this is also in line with research by Ihulhaq, et.all (2019). This is where the forensic accounting team will be urgently needed as an effort to track and reveal a trend indicative of corruption. In the context of political parties,

Forensic Accounting in the Use of Whistleblowing Channels

Most acts of corruption are committed by people who have power and abuse their authority for personal gain, such as the corruption case involving Djoko Susilo as a state law official to facilitate the tender for the procurement of a SIM simulator which shows that bribery is corrupt. In addition, Djoko Susilo was proven to have committed money laundering by disguising, hiding or obscuring the ownership of his assets obtained from this corruption case and also the Setya Novanto case due to the Rp. 5.9 trillion e-KTP corruption case. Thus, the role of forensic accounting is needed to collect evidence capable of being brought to court. There is strong evidence, so the prosecutor can charge according to his actions. Even so, in order to gather accurate findings and evidence, a channel for reporting systems must be built from the public so that the audit team can receive a lot of input, such as whistleblowing. Political parties, of course, can apply the use of existing theories in forensic accounting in the management and management of party finances. This channel aims to detect and suppress acts of corruption involving political parties, meaning that the use of forensic accounting can be used to prevent fraud and detect corrupt practices in political parties. Even though systematic internal control is carried out, gaps or opportunities for fraud remain open. certainly can apply the use of existing theory in forensic accounting in the management and management of party finances. This channel aims to detect and suppress acts of corruption involving political parties, meaning that the use of forensic accounting can be used to prevent fraud and detect corrupt practices in political parties. Even though systematic internal control is carried out, gaps or opportunities for fraud remain open. certainly can apply the use of existing theory in forensic accounting in the management and management of party finances. This channel aims to detect and suppress acts of corruption involving political parties, meaning that the use of forensic accounting can be used to prevent fraud and detect corrupt practices in political parties. Even though systematic internal control is carried out, gaps or opportunities for fraud remain open.

This gap is a real threat to party cadres who are involved in acts of corruption. With strong power, it is certain that political party elites have the character of rent-seeking for personal gain. The tendency to commit fraud is due to; pressure, opportunity, rationalization, competence/capability and arrogance. This factor is certainly a preventive step, in addition to internal controls that can be applied to suppress corruption. One alternative in internal control is the application of forensic accounting theory in managing political party finances. If there are symptoms of corruption, political parties can form a special forensic audit team to conduct an investigative audit in the case. Forensic accounting in managing political party finances builds whistleblowing channels. Whistleblowing channels are part of forensic accounting which plays an important role in the internal control environment of organizations and internal auditors (Read & Rama, 2003). A systematic and structured whistleblowing channel can certainly encourage every individual to have the courage to secretly report various violations, fraud, dishonest activities, bribery or other fraudulent practices committed by political parties.

But in reality, someone will seek protection from arbitrary actions because they have reported fraud through the whistleblowing channel. That's why a special hotline for whistleblowing is needed as a basic infrastructure so that you have the courage to report all forms of fraud, such as alternative ways to whistleblowing using anonymous suggestion boxes and social media. The role of forensic accounting in political parties is to detect all possible frauds committed by political cadres. It is hoped that the whistleblowing channel can be easily accessed and encourages the public to actively participate so that the public is not reluctant to report acts of fraud (Arianto, 2014; 2019). Likewise, if forensic accounting in building whistleblowing channels has been built by political parties, then it can build understanding and encourage efforts to build programs for political party cadres and elites to be able to prioritize anti-fraud literacy. However, to cultivate anti-fraud literacy, political party officials must attend a series of forensic accounting training, especially in the process of preventing political corruption through whistleblowing so as not to commit various forms of fraud (cheating) such as giving corruption and bribes. That way, the role of forensic accounting through the whistleblowing channel can create a new culture that prioritizes ethics in efforts to suppress all forms of corruption. To foster anti-fraud literacy, political party officials must take part in a series of forensic accounting training, especially in the process of preventing political corruption through whistleblowing so as not to commit various forms of fraud, such as giving corruption and bribes. That way, the role of forensic accounting through the whistleblowing channel can create a new culture that prioritizes ethics in efforts to suppress all forms of corruption. To foster anti-fraud literacy, political party officials must take part in a series of forensic accounting training, especially in the process of preventing political corruption through whistleblowing so as not to commit various forms of fraud, such as giving corruption and bribes. That way, the role of forensic accounting through the whistleblowing channel can create a new culture that prioritizes ethics in efforts to suppress all forms of corruption.

CONCLUSION

Corruption is a form of fraud which is then prevented as early as possible. Prevention can be through the whistleblowing channel as part of forensic accounting to look for various evidence of fraud and investigation of these allegations. Forensic accounting has specific characteristics in handling a fraud case. Through the whistleblowing channel, all evidence of fraud can be tracked and detected early by the forensic auditor team. Whistleblowing channels must also be built to be more participatory

such as using social media. So that various findings and evidence can be used in the decision process in court. Thus forensic accounting as special accounting in an effort to detect, prevent and participate in eradicating various practices of corruption in Indonesia. Besides that.

REFERENCES

- Arianto, Bambang. (2014). The Phenomenon of Political Volunteers in the 2014 Presidential Contest. *Journal of Social and Political Sciences UGM*. Vol. 18, No. (2) : 146-162
- _____. (2019). Between Volunteers Friends of Ahok and Political Parties Contesting the 2017 DKI Jakarta Regional Head Election. *Journal of Social Politics and Governance*. Vol. 1.No. (1): 55-79.
- _____. (2020). Forensic Accounting and the Phenomenon of Political Corruption. *JSPG: Journal of Social Politics and Governance*. Vol. 2. No. (1): 47-62
- _____. (2021). Forensic Accounting as a Strategy for Combating Bribery Corruption. *Journal of Education, Accounting and Finance*. Vol. 4. No. (1): 1-16
- Claudia, Gita. (2018). Forensic Accounting for Investigating Corruption Cases. *JEMAP : Journal of Economics, Management, Accounting and Taxation*. Vol. 1.No. (1): 95-105
- Indonesian data. (2022). ICW: Enforcement of Corruption Cases to Increase in 2022.<https://dataindonesia.id/varia/detail/icw-penindakan-case-korupsi-meningkat-pada-2022>
- Daurrohmah, Eka Wirajuang & Urumsah, Dekar. (2018). Effectiveness of Forensic Audit in Detecting Bribery with Whistleblowing Support. Thesis : Indonesian Islamic University.
- Girling, John. (1997). Corruption, capitalism and democracy (Vol. 4). Psychology Press.
- Huntington, SP (1968). Political Orders in Changing Societies. Yale University Press, New Haven.
- Ihulhaq, Nasha. et. all. (2019). The Influence of Forensic Accounting and Investigative Audit on Fraud Detection. *Accounting Proceedings*. Vol. 5. No. (2) : 309–317.
- Kontan.com. (2011). BPK Has Formed a Forensic Audit Team to Trace Bank Century Bailout. (On line).[https://nasional.kontan.co.id/news/bpk-untung-a-tim-auditforensik-telusuri-bailoutbankcentury-accessed March 10, 2020](https://nasional.kontan.co.id/news/bpk-untung-a-tim-auditforensik-telusuri-bailoutbankcentury-accessed-March-10,-2020)
- Lidya, Rika. (2016). Corruption and Forensic Accounting. *I-FINANCE : a Research Journal on Islamic Finance*. Vol. 2. No. (2) : 72-91
- Mamahit, Atrisia Inayati, & Urumsah, Dekar. (2018). The Comprehensive Model of Whistleblowing, Forensic Audit, Audit Investigation, and Fraud Detection. *Journal of Accounting and Strategic Finance*. Vol. 1.No. (2) : 153-162.
- Read, William J Rama, DV (2003). Whistle-blowing to internal auditors. *Managerial Auditing Journal*. Vol. 18. No. (5) : 354-362
- Syahputra, Briyan Efflin & Urumsah, Dekar. (2019). Fraud Detection Through Effective Government Audits; Gender and Experience Multi-Group Analysis. *Journal of Accounting and Business*. Vol 19.No. (1): 31-42.
- Tuanakotta, Theodorus M. (2016). *Forensic Accounting and Investigative Auditing*. (2nd edition. Jakarta: Salemba Empat.
- Tuasik, Hadi. (2017). Forensic Accounting in Efforts to Eradicate Corruption Crimes. *Journal of Aj-Dauhlah*. Vol. 6. No. (2) : 199-205
- Wiratmaja, I Dewa Nyoman. (2010). Forensic Accounting in Efforts to Eradicate Corruption Crimes. *Scientific Journal of Accounting and Business*. Vol. 5. No. (2): 1-26
- Yulistiansih, Alfa Reza Dwi. et. all. (2020). The Role of Forensic Accountants in Overcoming Fraud and Corruption in Government Institutions. *Islamic Accounting and Finance Review*. Vol. 1.No. (2) : 135-146
- Zed, Mestika. (2008). *Library Research Methods*. Print 1. Jakarta: Indonesian Obor Foundation.