

REGULATION FOR THE POLITICAL PARTY FUNDING IN INDONESIA

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Abstract

The way to solve problems related to political party funding is to regulate political party funding. The regulation of political party funding in Indonesia needs to be carried out strictly so that there are no more problems related to political party funding. It is true that currently political party funding has been arranged. The regulation on political party funding has actually been regulated in the Law of the Republic of Indonesia Number 2 year 2011 concerning Amendments to Law Number 2 Year 2008 concerning Political Parties.

A. INTRODUCTION

Indonesia is a democratic country and can be regarded as one of the largest countries in the world. The statement that the Indonesian state is a democracy is truly indisputable. The general elections held every five years prove that there is a formal mechanism in order to realize democracy. The general elections held by the Indonesian state for five years can be said to be a party of democracy for the people of Indonesia. The holding of general elections is an event for the people of Indonesia to make choices.

Apart from general elections which form part of democracy there is also an inseparable part of democracy. Political parties are an important part of democracy. Without the existence of political parties, it will be difficult for democracy to be realized through general elections to be carried out. This is because I want to take part in the general election, namely through political parties. Article 6A paragraph (1) and (2) of the 1945 Constitution of the Republic of Indonesia states that:

- (1) The President and Vice President are elected in one pair directly by the people.
- (2) The pairs of candidates for President and Vice President are proposed by political parties or joint political parties in general elections before the general election.

Seeing Article 6A paragraph (1) and (2) of the basic Law of the Republic of Indonesia year 1945, it can be stated that the role of political parties is very important, especially in

proposing candidates for President and Vice President candidates. Without a proposal from a political party, a person will not be able to run for President or Vice President of the Republic of Indonesia. This condition emphasizes the importance of political parties in general elections considering the election of the President and Vice-President also in general elections.

Article 22E The 1945 Constitution of the Republic of Indonesia regulates General Elections. Article 22E The 1945 Constitution of the Republic of Indonesia states that:

- (1) General elections are held in a direct, public, free, confidential, honest and fair manner every five years.
- (2) General elections are held to elect members of the People's Legislative Assembly, Regional Representative Council, President and Vice President and Regional Representative Council.
- (3) Participants in the general election to elect members of the People's Representative Council and members of the Regional Representative Council are political parties.
- (4) Election participants to elect members of the Regional Representative Council are individuals.
- (5) General elections are held by a national, permanent, and independent general election committee.
- (6) Further provisions regarding general elections are regulated by law

Article 22E clearly signifies the importance of political parties for general elections. The importance of political parties in elections and democracy is not followed by the quality of political parties. Political parties still have problems. One of the problems experienced by political parties is related to political party funding. Until now mass political party funding has caused problems. Indonesia Corruption Watch found ten problems experienced by political parties related to political party funding. The ten problems consist of several categories including income, usage, and accountability (Prabowo, 2015).

Problems experienced by political parties related to political party funding should be resolved. More stringent political party arrangements need to be made so that political party funding can be clear.

B. PROBLEM FORMULATION

1. What is the importance of funding for political parties?
2. What is the regulation of political party funding in Indonesia?

C. DISCUSSION

The Importance of Funding for Political Parties

Funding for political parties is a necessity. Without funding, political parties will find it difficult to move. Movements carried out by political parties will not be separated from financial. No wonder political party funding is the major problem. Political party activities or programs from large to small still need money. As an institution that is not profit oriented but is politically oriented, political parties must think hard in order to be able to finance the activities and programs implemented by political parties.

The activities and programs of political parties are actually very large and they are carried out not only once but several times in many years, especially before the election. Political parties will certainly be busy preparing everything to take part in general elections. Political parties will definitely carry out campaigns as part of the way to win elections. Even though we know that campaigning or campaigning requires a lot of money.

Installation of attributes such as flags, billboards, stickers and clothes, car hats and others to make the campaign successful will certainly cost a lot of money. Such a large cost will be difficult for political parties to fulfill if there is no funding for political parties. Therefore political party funding is very important in order to mobilize political parties and create sustainability from political parties. But funding for political parties still has problems.

The issue of transparency in mass political party funding is a major problem. If problems related to transparency in political party funding cannot be resolved, it will raise suspicion in the community. In addition, the integrity of political parties will be questioned by the community and this will affect members of political parties (Rastika, 2015). Political party funding is indeed important so that the sustainability of political parties can be maintained given that each political party needs money to fund political party activities and programs.

The importance of political party funding does not mean that political parties must override problems related to political party funding. Problems related to political party funding must be immediately resolved so that political parties can carry out activities and programs without having to deal first with the issue of political funding.

Regulation of Political Party Funding in Indonesia

The way to solve problems related to political party funding is to regulate political party funding. The regulation of political party funding in Indonesia needs to be carried out

strictly so that there are no more problems related to political party funding. It is true that currently political party funding has been arranged. The regulation on political party funding has actually been regulated in the Law of the Republic of Indonesia Number 2 of 2011 concerning Amendments to Law Number 2 Year 2008 concerning Political Parties. Article 34 states that:

- (1) Finance of Political Parties sourced from: a. membership dues; b. legal donations; and c. financial assistance from the State Revenue and Expenditure Budget/Regional Budget.
- (2) Donations as referred to in paragraph (1) letter b, can be in the form of money, goods, and/or services.
- (3) The financial assistance from the State Revenue and Expenditure Budget/Regional Revenue and Expenditure Budget as referred to in paragraph (1) letter c shall be given proportionally to the Political Parties who obtain seats in the House of Representatives, the Provincial House of Representatives and the House of Representatives District/city area whose calculation is based on the number of votes.
 - (3a) Financial assistance from the State Revenue and Expenditure Budget / Regional Revenue and Expenditure Budget as referred to in paragraph (3) is prioritized for implementing political education for members of Political Parties and the public.
 - (3b) Political Education as referred to in paragraph (3a) relates to activities: a. deepening of the four pillars of nation and state namely Pancasila, the 1945 Constitution, *Bhinneka Tunggal Ika* and the Unitary State of the Republic of Indonesia; b. understanding of the rights and obligations of Indonesian citizens in developing political ethics and culture; and c. cadre formation of members of Political Parties in a gradual and sustainable manner.
- (4) Financial assistance and reports on the use of financial assistance to Political Parties as referred to in paragraph (3) and (3a) are further regulated by Government Regulation.

Article 34A states that:

- (1) Political Parties are required to submit accountability reports on revenues and expenditures originating from the State Budget Revenue and Expenditure and Regional Revenue and Expenditure Budget as referred to in Article 34 paragraph (1) letter c to the Audit Board periodically 1 (one) year once to be audited no later than 1 (one) month after the fiscal year ends.

- (2) The audit report as referred to in paragraph (1) is carried out 3 (three) months after the fiscal year ends.
- (3) The results of the audit of the accountability report for revenues and expenditures as referred to in paragraph (2) shall be submitted to Political Parties no later than 1 (one) month after being audited.

Article 35 states that:

- (1) Donations as referred to in Article 34 paragraph (1) letter b received by Political Parties come from:
 - a. individual members of Political Parties whose implementation is regulated in the Statutes and bylaws;
 - b. individuals not members of Political Parties, at most Rp.1,000,000,000.00 (one billion rupiah) per person within 1 (one) fiscal year; and
 - c. company and/or business entity, no more than Rp 7,500,000,000.00 (seven billion five hundred million rupiahs) per company and/or business entity within 1 (one) fiscal year.
- (2) Donations as referred to in paragraph (1) are based on the principles of honesty, voluntary, fairness, openness, responsibility, and sovereignty and independence of political parties.

Article 36 states that:

- (1) The financial source as referred to in Article 34 is an opinion that can be used for expenditure in the implementation of the program, including political education, and the operation of the Political Party secretariat.
- (2) The receipt and financial expenditure of Political Parties is managed through the general summary of Political Parties.
- (3) Management of Political Parties at each level records all receipts and financial expenditures of Political Parties.

Article 37 states that the Management of Political Parties at each level of the organization prepares accountability reports for financial revenues and expenditures after the budget year has ended. As for Article 38 states that the results of the examination of the accountability report for the receipt and issuance of financial political parties as referred to in Article 37 are open to public knowledge. Article 39 states that:

- (1) Financial management of Political Parties is carried out in a transparent and accountable manner.

- (2) Financial management of Political Parties as referred to in paragraph (1) is audited by public accountants every 1 (one) year and announced periodically.
- (3) Political parties are obliged to make financial reports for the purpose of audit of funds which include:
 - a. report on realization of budget for political parties;
 - b. balance sheet; and
 - c. cash flow statement.

Arrangements regarding political party funding in accordance with the provisions of the Republic of Indonesia Law Number 2 of 2011 concerning Amendments to Law Number 2 Year 2008 concerning Political Parties are actually good. The problem with political party funding actually does not lie in the rules regarding political party funding. Related problems regarding political party funding can be said not to occur from the existence of rules regarding political party funding.

D. CONCLUSION

Political parties are a very important part of democracy and elections. The importance of political parties for democracy and elections is also in line with the importance of funding for political parties. Without funding for political parties, political parties will not run well because activities and programs will be hampered. Therefore, funding to political parties is needed so that political parties can carry out the activities and programs that have been prepared. Although political party funding is so important, political party funding has a problem. The issue of the political party certainly must be resolved. If you look at the rules related to political party funding, the political party funding is actually well regulated. Regulations related to political party funding are regulated in the Law of the Republic of Indonesia Number 2 of 2011 concerning Amendments to Law Number 2 Year 2008 concerning Political Parties.