



Anti-Corruption Governance through Nurcholish Madjid's Perspective: Moral, Social, and Digital Reform

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Abstract:

Corruption poses a persistent challenge to effective governance because it undermines public trust, institutional accountability, and moral integrity. However, anti-corruption efforts that emphasize administrative and technological mechanisms may remain ineffective without support from ethical leadership and participatory social norms. This study examines how Nurcholish Madjid's humanistic and modernist perspective can inform anti-corruption governance by integrating moral reform, community-based social control, ethical leadership, and digital transparency. Madjid was a prominent Indonesian Muslim intellectual who championed modernist ideas and authored influential works on religion, modernity, morality, and socio-political issues; his thought continues to attract the attention of scholars and activists today. Employing a qualitative research design, the study combines a literature analysis of Madjid's major works with empirical data from a Focus Group Discussion involving local government representatives, village heads, and Islamic organization representatives, focusing on experiences in Sisir Subdistrict and Bulukerto Village. The findings indicate that digital governance mechanisms can strengthen transparency and accountability, but their effectiveness depends on moral integrity, community participation, and institutional commitment. The experiences of Sisir Subdistrict and Bulukerto Village illustrate different dimensions of this relationship: digital system integration supports administrative transparency, while community involvement strengthens social oversight. The study contributes to anti-corruption scholarship by demonstrating how moral and social dimensions can complement digital governance mechanisms within local institutional contexts. Practically, the findings suggest that sustainable anti-corruption policies should integrate ethical leadership, civic participation, community oversight, and digital accountability rather than relying on technological solutions alone.

Keywords:

corruption; governance; digital; perspective; Nurcholish Madjid.

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Introduction

Corruption is a crime that broadly affects various aspects of national and state life. In general, corruption not only harms state finances but also hinders economic development,¹ weakens governance,² and reduces public trust in public institutions.³ Under Indonesian law, the Anti-Corruption Law of 1999 (amended in 2001) regulates corruption and emphasizes that losses

¹ Lurdes Martins, Jorge Cerdeira, and Aurora A.C. Teixeira, "Does Corruption Boost or Harm Firms' Performance in Developing and Emerging Economies? A Firm-Level Study," *World Economy* 43, no. 8 (2020): 2119-52, <https://doi.org/10.1111/twec.12966>.

² dkk Salahudin, Salahudin., Nurmandi, Achmad., "Rent-Seeking Practices in The Budget Policymaking Processes at Local Government: Case Studies in Indonesia," *Journal of Government & Civil Society* 6, no. 1 (2022): 138, <https://doi.org/10.31000/jgcs.v6i1.5849>.

³ Jon S.T. Quah, "Corruption Scandals in Six Asian Countries: A Comparative Analysis," *Public Administration and Policy* 23, no. 1 (2020): 7-21, <https://doi.org/10.1108/pap-01-2020-0002>.

to state finances and the state economy are key factors in determining the legal consequences. In addition, reforming technical provisions on this matter plays a crucial role in maintaining the integrity of the criminal justice system, in line with the 16th pillar of the Sustainable Development Goals (SDGs), which emphasizes strong, transparent, and inclusive legal institutions.⁴ This study examines the anti-corruption movement in Batu City through the lens of Nurcholish Madjid's ideas.

Despite the comprehensive formulation of anti-corruption regulations, corruption in Indonesia continues to pose serious economic and governance challenges. A recent example is the alleged corruption in the disbursement of People's Business Credit (*Kredit Usaha Rakyat* - KUR) and People Village Business Credit (*Kredit Usaha Pedesaan Rakyat* - KUPRA) at *Bank Rakyat Indonesia*, Batu II Unit, as a financial corporation. The alleged misconduct occurred between November 2022 and December 2023 and involved the disbursement of credit facilities that allegedly did not comply with established procedures. Based on an audit conducted by the East Java Representative Office of the Financial and Development Supervisory Agency (*Badan Pengawasan Keuangan dan Pembangunan* - BPKP), the irregularities resulted in an estimated state financial loss of Rp 934,861,000. The case shows how weaknesses in implementing and supervising credit-disbursement procedures can create opportunities for abuse and cause direct financial losses to the state. More broadly, corruption can distort the allocation of public resources, undermine institutional accountability, and weaken public confidence in government and public institutions. Therefore, the persistence of such cases despite a comprehensive anti-corruption regulatory framework indicates a gap between the normative design of anti-corruption measures and their practical implementation.

The problem of corruption that continues to hamper Indonesia's economic development can be justified through Indonesian Muslim intellectual thought, Madjid. In his various ideas, he emphasized that corruption is the "greatest enemy of development" because it undermines the state's moral and institutional foundations. In his 1987 work *Islam Kemoderenan, dan Keindonesiaan/Islam, Modernity, and Indonesianness*, Madjid emphasized that national progress can be achieved only by upholding public morality and building clean government, because without integrity, all regulatory instruments and development planning lose their effectiveness. In line with this, modern technological systems are a strategic requirement to strengthen accountability and oversight mechanisms, narrowing space for abuse of authority and restoring public trust in state institutions. Previous research on the anti-corruption movement shows that a thought-based approach to figures contributes significantly to formulating corruption prevention strategies rooted in moral and religious values. Nuraini, Afidah, Afrida, and Nasa'i highlighted the thoughts of KH. Sahal Mahfudh who placed anti-corruption values within the framework of social jurisprudence, based on the human function as *khalifatullah* (Allah's chalips) with two main duties, *'ibadatullah* (servant), and *'imaratul*

⁴ Tinuk Dwi Cahyani et al., "Reformulation of the Crime Obstruction of Justice in Article 21 of Law No. 31 of 1999 in an Effort to Realize the 16th Pillar of the SDGs (Peace , Justice , and Strong Institutions)" (Atlantis Press SARL, 2025), <https://doi.org/10.2991/978-2-38476-491-4>.

ardh (earth leader).⁵ Through qualitative methods with documentation, interviews, and observation techniques, the study found that the values of *ikhtiar* (struggle), *tawakkal* (rely upon Allah), honesty, transparency, *amar ma'ruf nahi munkar* (enjoining good and forbidding evil), character, and integrity are the foundations of corruption prevention according to Kiai Sahal. These values are systematically disseminated at the Mathali'ul Falah Islamic Boarding School Institute through anti-corruption policies and their integration into the Basic Value of Goodness and Perfection (*Nilai Dasar Shalih Akram*, so the entire academic community is expected to internalize anti-corruption character through a structured curriculum and learning.

In a different context, Elia examines corruption from a theological perspective by studying stories in the Old and New Testaments that depict corrupt practices and the ethical responses to them. This study asserts that corruption contradicts God's will; thus, the ethical framework is based on heteronomous ethics that emphasizes honesty and gratitude as fundamental values in facing the reality of corruption. This construction then has implications for the church's mission as a moral agent to champion an anti-corruption stance through its duties and calling in the world.⁶ Complementing this religious-based study, Cheeseman and Peiffer develops anti-corruption discourse from a contemporary political perspective by showing that anti-corruption messages, especially those that emphasize descriptive norms regarding the reality of corruption, have the potential to strengthen populist sentiment. A survey experiment in Albania found that exposure to descriptive messages about corruption can increase support for populist views, revealing the unexpected impact of modern anti-corruption campaigns. Previous research has largely focused on studies of KH. Sahal Mahfudh—grounded in the pesantren-based social tradition of Nahdlatul Ulama (NU) thereby failing to address the thought of modernist or neo-modernist Islamic figures who employ a substantive-inclusive Islamic approach. Consequently, such research fails to represent interfaith anti-corruption discourse particularly within the context of a Muslim-majority society like Indonesia—and offers minimal elaboration on institutional mechanisms or strategies for combating structural corruption. Together, these three studies show that anti-corruption movements cannot be separated from the values, institutions, and socio-political dynamics that surround them.⁷ The novelty of this research in the concept of integrating Islamic values with modern state principles by linking anti-corruption efforts to public governance.

Research on the regional anti-corruption movement through the perspective of Madjid thought is important for several fundamental reasons. First, Madjid is one of the Indonesian Muslim intellectuals who consistently strives to combine Islamic values, modernity, and Indonesian-ness within a socio-political ethical framework. This perspective offers a potential moral and spiritual framework to strengthen the normative basis of the anti-corruption

⁵ Latifah Nuraini et al., "Nilai-Nilai Anti Korupsi Dalam Pemikiran KH. Sahal Mahfudh Dan Diseminasinya Pada Perguruan Tinggi Pesantren," *Islamic Review: Jurnal Riset Dan Kajian Keislaman* 13, no. 1 (2024): 115–32, <https://doi.org/10.35878/islamicreview.v13i1.1117>.

⁶ Natanael Budiman Elia, "Mengkonstruksi Etika Kristiani Tentang Korupsi Dan Sikap Anti-Korupsi Melalui Lensa Perjanjian Lama Dan Perjanjian Baru," *Jurnal Abdiel: Khazanah Pemikiran Teologi, Pendidikan Agama Kristen Dan Musik Gereja* 7, no. 2 (2023): 104–18, <https://doi.org/10.37368/ja.v7i2.517>.

⁷ Nic Cheeseman and Caryn Peiffer, "Opening the Door to Anti-System Leaders? Anti-Corruption Campaigns and the Global Rise of Populism," *European Journal of Political Research* 64, no. 1 (2025): 134–55, <https://doi.org/10.1111/1475-6765.12682>.

movement, particularly in Indonesia's local context. Second, studying figures in analyzing the anti-corruption movement remains rare. Anti-corruption studies are generally dominated by positive law, political economy, or governance approaches. However, studying the thoughts of figures, especially moral figures like Madjid, can provide a deeper conceptual foundation regarding public ethics, citizen awareness, and the construction of an anti-corruption culture. Third, Batu City has a unique socio-cultural and regional government character,⁸ so promoting local wisdom is important to see how local values can be formulated as an ethical foundation and as policy input in drafting a more contextual anti-corruption law. The integration of local values with Madjid's modern-religious ethics can open up space for formulations that are more relevant to the local community. Fourth, this research contributes to efforts to dynamize the scope of legal philosophy, especially by broadening the perspective that law is not only a positive norm but also a product of the interaction of values, morals, culture, and religious thought. Thus, this research emphasizes the importance of a more interdisciplinary legal philosophy that is responsive to national issues such as corruption.

Method

The research objective is that a sustainable anti-corruption movement requires a synergy of moral reform, strengthened public culture, community participation, and integrated digital systems, aligning with Madjid's humanistic and modernist vision. This research methodology uses a qualitative method with a literature study approach and strengthened field data⁹. This qualitative research uses a literature review supported by field data collected through a Focus Group Discussion conducted on 28 August 2025 in Batu City. The FGD involved 15 participants. Consisting of government officials, including the Head of *Bulukerto Village*, the Head of *Sisir Urban Village*, and a representative from the *Procurement Division of Batu City Government*, as well as academics from a research center and representatives of civil society organizations. The literature study approach is carried out through a critical review of Madjid's works, especially *Islam Agama Kemanusiaan* in 1955; *Islam, Kemoderenan, dan Keindonesiaan* in 1987; and *Indonesia Kita* in 2004, as well as a number of documented reform speeches by Madjid, in order to explore the basics of his thoughts on political ethics and anti-corruption. The legal analysis specifically examined the Anti-Corruption Law of 1999 (amended in 2001), particularly Articles 2 and 3, concerning criminal acts of corruption. To complement the text analysis, empirical data were collected through a Focus Group Discussion (FGD) with the *Batu City Government* involving three Village Heads and community members from Islamic organizations, namely the Muhammadiyah Regional Leadership (*Pimpinan Daerah Muhammadiyah - PDM*) and the Nahdlatul Ulama Branch Leadership (*Pimpinan Cabang Nahdlatul Ulama - PCNU*). The researchers then analyzed the collected data thematically using NVivo 12 Plus to map the characteristics and practices of the anti-corruption movement in Batu City. This mapping helped elaborate the findings from Madjid's perspective.

⁸ Zulfatul Arin, Yaqub Cikusin, and Agus Zainal Abidin, "Kiprah Non Government Organization Dalam Bingkai Civil Society Di Indonesia (Studi Di Malang Corruption Watch/MCW Sebagai Sosial Kontrol Hukum Di Malang Raya)," *Jurnal Respon Publik* 14, no. 5 (2020).

⁹ Muhaimin, *Metode Penelitian Hukum, Pertama* (Mataram: Mataram University Press, 2020).

Discussion

1. *Building an Anti-Corruption Movement: From Digital Systems to Public Morality*

Corruption prevention efforts at the local level, as reflected in *Sisir Subdistrict* and *Bulukerto Village*, demonstrate that corruption should not be viewed merely as a technical problem of administration or governance. Rather, it is closely connected to cultural values, social integrity, and the ethical conduct of public leaders. This perspective resonates with Madjid's argument that corruption is fundamentally a "cultural disease" rooted in the erosion of public morality, the misuse of authority, and the weakening of trust between government institutions and society. From this standpoint, effective anti-corruption strategies must address not only institutional weaknesses but also the moral and cultural foundations of public service. From a classical perspective, bureaucracy is a rational, legal-authoritative, and structured organizational system designed to manage complex governmental functions efficiently, effectively, and accountably. Max Weber's concept of the ideal-type bureaucracy emphasizes key principles such as a clear division of labor, hierarchical authority, written rules and procedures, and recruitment and promotion based on technical competence. These characteristics are intended to ensure procedural fairness, administrative continuity, and accountability within public organizations.¹⁰ Consequently, a well-functioning bureaucracy should provide a strong institutional framework for preventing corruption by minimizing arbitrariness and personal interests in public decision-making¹¹.

However, realizing such an ideal bureaucratic model remains challenging in many local government contexts. Bureaucratic reform initiatives continue to encounter significant obstacles, including limited institutional resources, inadequate administrative capacity, and weak community participation in governance processes.¹² When public involvement in monitoring government activities is insufficient, opportunities for abuse of power and corruption may increase. Therefore, strengthening participatory governance mechanisms is essential to complement formal bureaucratic reforms and enhance accountability at the local level. The challenges are particularly evident within village government bureaucracies, which often face organizational inefficiencies, limited citizen participation, and suboptimal transparency in public administration. These conditions can create institutional vulnerabilities that undermine efforts to prevent corruption and promote good governance at the local level. Organizational inefficiencies, for instance, may weaken internal controls and reduce the effectiveness of administrative procedures designed to ensure accountability. At the same time, limited citizen participation can constrain public oversight, making it more difficult for communities to monitor government activities and identify potential irregularities. Inadequate transparency may further exacerbate these vulnerabilities by limiting public access to information concerning decision-making processes, resource

¹⁰ Teguh and Mohammad, "Membangun Akuntabilitas Vertikal Dan Horizontal Dalam Birokrasi Pemerintahan Daerah," *Journal of Economics, Business, Management, Accounting and Social Sciences* 3, no. 6 (2025): 413–19, <https://doi.org/10.63200/jebmass.v3i6.240>.

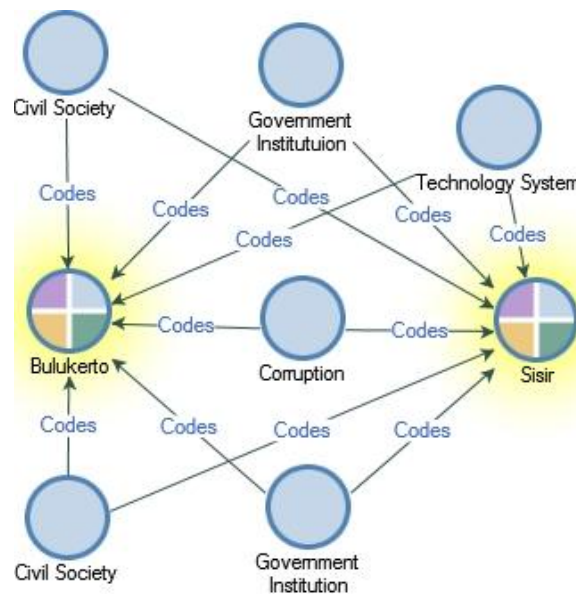
¹¹ Muhammad Sayuti Hassan Tinuk Dwi Cahyani, Muhammad Helmi Md Said, "Comparative Analysis of The Effectiveness of Punishment Over Corruption in Indonesia and Hong Kong," *Richtmann Publishing: Journal of Educational and Social Research* 13, no. 5 (2023).

¹² Risky Ibrahim and Rara Ayudyah Olii, "Strategi Reformasi Birokrasi Di Tingkat Lokal: Perspektif Good Governance Dalam Otonomi Daerah Kecamatan Kwandang," *Professional: Jurnal Komunikasi Dan Administrasi Publik* 11, no. 2 (2025): 769–74, <https://doi.org/10.37676/professional.v11i2.8484>.

allocation, and the implementation of village programs. The experiences of *Sisir Subdistrict* and *Bulukerto Village* suggest that successful corruption prevention therefore requires not only improvements in bureaucratic structures and procedures but also the cultivation of ethical leadership, transparency, and active community engagement. These elements can reinforce one another by strengthening institutional accountability while encouraging citizens to participate more actively in monitoring and supporting the implementation of good governance at the village level. In this regard, anti-corruption efforts become a comprehensive endeavor that integrates institutional reform with the development of a culture of integrity and public trust.

In his 1987 work, *Islam, Kemodernan, dan Keindonesiaan*, Madjid described corruption as a cultural disease that thrives when society loses its ethos of trust.¹³ This view seems highly relevant to field findings, particularly when the public or public officials view abuse of authority as "normal" or condone the criminalization of certain officials because of local political dynamics, as occurred in *Bulukerto*. A political culture that views office as a means of reciprocation or a platform for self-interest transactions easily erodes integrity.¹⁴ Even the election of village heads as political positions, as noted in *Temas Village*, shows how vulnerable local political culture is to transactional practices.

Figure 1. Comparative Analysis of Community and Technological Approaches in Corruption Prevention Efforts in *Sisir Subdistrict* and *Bulukerto Village*.



Source: author analysis

In *Sisir Village*, technology such as *M-Budgeting* and *E-Catalogue* has increased transparency in village financial and administrative processes. These digital instruments can facilitate access to information, standardize administrative procedures, and reduce opportunities for undocumented transactions. However, Madjid cautioned that technology does not automatically eliminate corruption if the bureaucratic mentality remains influenced by a culture of patronage. In such circumstances, digital systems may improve the visibility of

¹³ Nurcholish Madjid, *Islam, Kemodernan, dan Keindonesiaan* (Bandung: PT Mizan Pustaka, 1987).

¹⁴ Colin J. Bennett and Charles D. Raab, "Revisiting the Governance of Privacy: Contemporary Policy Instruments in Global Perspective," *Regulation and Governance* 14, no. 3 (2020): 447–64, <https://doi.org/10.1111/rego.12222>.

administrative processes without necessarily changing the underlying ethical behavior of those who operate them. This condition is evident in the technical obstacles encountered in *Sisir Village*, including server slowness, which can disrupt the effectiveness of digital administration and create opportunities for procedural weaknesses. This shows that digital transparency still requires human integrity to maintain data objectivity and prevent manipulation for personal gain.

In *Islam Agama Kemanusiaan* in 1995, Madjid emphasized that corruption occurs when a society loses social integrity, namely the collective value that places the public interest above personal or group interests.¹⁵ From this perspective, corruption is not merely an administrative or legal problem but also reflects the weakening of moral values within social institutions. *Bulukerto Village* offers an interesting example of how active community participation in village governance can strengthen social integrity. Deliberations at the hamlet and village levels give residents opportunities to express their interests, contribute to decision-making, and exercise social oversight of government programs. Similarly, community involvement in farmer groups, local businesses, and village institutions strengthens collective responsibility for implementing development activities. When communities develop a sense of ownership of these programs, public resources and government authority are more likely to face collective scrutiny, reducing opportunities for abuse. This experience suggests that strengthening social integrity through meaningful participation can complement formal bureaucratic mechanisms and contribute to a more accountable and corruption-resistant village governance system.

Practices such as displaying the Village Revenue and Expenditure Budget (*Anggaran Pendapatan dan Belanja Desa – APBDes*) banner in front of the village office reflect community-based transparency that aligns with Madjid's ideas about the importance of collective morality. Such practices make village financial information more visible to residents and create opportunities for the community to exercise informal oversight of government activities. In this sense, transparency depends not only on digital systems but also on social values that encourage openness, accountability, and collective responsibility. However, political dynamics and the potential criminalization of critical village officials continue to challenge this social integrity.¹⁶ When minor administrative errors are used as political pressure, officials may become reluctant to make decisions or take necessary initiatives to manage village affairs. Such fear can weaken constructive criticism and public accountability because officials may prioritize avoiding personal risks over responding to community needs. This shows how an unstable social and political environment can undermine a culture of integrity built through transparency and participation, indicating that preventing corruption also requires a governance environment where officials can exercise their responsibilities without undue political intimidation.

In *Indonesia Kita* in 2004, Madjid emphasized the need for political reform that rejects power based on money and patronage. He strongly criticized the Corruption, Collusion, and

¹⁵ Nurcholish Madjid, *Islam Agama Kemanusiaan* (Jakarta: Paramadina, 1995).

¹⁶ Greg Barton, Ihsan Yilmaz, and Nicholas Morieson, "Authoritarianism, Democracy, Islamic Movements and Contestations of Islamic Religious Ideas in Indonesia," *Religions* 12, no. 8 (2021): 1–20, <https://doi.org/10.3390/rel12080641>.

Nepotism (*Korupsi, Kolusi, Nepotisme - KKN*) practices entrenched in the Indonesian bureaucracy and emphasized meritocracy.¹⁷ Indonesian public institutions and argued that governance should be grounded in meritocratic principles, where appointments and promotions are determined by competence, integrity, and professional performance rather than political loyalty or personal connections. From this perspective, *Sisir* and *Bulukerto's* experiences illustrate the continuing relevance of Madjid's critique. Although administrative reforms have been implemented at various levels of government, meritocracy remains constrained by normative and institutional challenges, particularly those related to the quality and capacity of public officials. Merit-based governance requires not only formal regulations but also bureaucratic personnel with the competencies and professional standards needed to implement these principles consistently. Weak human resource competencies and uneven professional development among bureaucratic personnel can hinder the effectiveness of governance reforms and reduce institutions' ability to uphold accountability and transparency.¹⁸ Differences in access to training, professional development, and capacity-building opportunities may further create disparities in the quality of public administration across institutions. These conditions can weaken the implementation of meritocratic principles because decisions and administrative practices may not always reflect competence, performance, and professional qualifications. Consequently, institutional reforms may yield limited results when improvements in organizational structures are not accompanied by systematic efforts to strengthen public officials' capabilities. Strengthening human resource capacity and ensuring equitable professional development are therefore essential for translating administrative reform into effective and sustainable merit-based governance.

Furthermore, the challenge is not merely technical but also cultural and ethical, as bureaucratic transformation depends on the values and attitudes embedded within public institutions. Research indicates that weak commitment among public employees to uphold integrity and cultivate a service-oriented culture continues to impede the effectiveness of bureaucratic reform. Integrity matters because public officials are entrusted with authority and resources that should serve public interests rather than personal or group interests. At the same time, a culture of public service encourages officials to prioritize responsiveness, accountability, and citizens' needs as they carry out their responsibilities. However, perceptions of bureaucratic pathology, including the persistence of *KKN* practices, suggest that opportunities for abuse of authority and unethical conduct persist within public institutions. Such conditions can weaken public trust and create resistance to reform when formal institutional changes are not supported by corresponding changes in bureaucratic behavior and ethical standards. Therefore, sustainable bureaucratic transformation requires not only technical and institutional reforms but also the continuous cultivation of integrity, ethical commitment, and a service-oriented culture among public employees.

In *Sisir Village*, aligning administrative activities with the municipal government's vision and mission adds a layer of structural oversight that can reduce the risk of misconduct.

¹⁷ Nurcholish Madjid, *Indonesia Kita* (Jakarta: Gramedia Pustaka Utama, 2004).

¹⁸ Mariana Ane Pratiwi et al., "Analisis Reformasi Birokrasi Untuk Mewujudkan Good Governance Pada Pemerintah Kabupaten Pematang," *Perspektif* 11, no. 3 (2022): 1033–42, <https://doi.org/10.31289/perspektif.v11i3.6272>.

Nevertheless, oversight mechanisms alone are insufficient without competent human resources and a strong ethical commitment among civil servants. Therefore, the experiences of *Sisir* and *Bulukerto* demonstrate that strengthening meritocracy requires not only institutional controls but also continuous efforts to improve bureaucratic competence, integrity, and public service values in line with Madjid's vision of democratic and accountable governance. However, as Madjid warned, if regional leadership lacks integrity, the oversight structure could fail: "the fish rots from the head." Batu City Government officials also emphasized this, stating that the integrity of top officials shapes the behavior of the bureaucracy below them. *Bulukerto Village* demonstrates ethical leadership through community empowerment efforts. However, vulnerability to political criminalization suggests that ethical leadership has not yet become a fully embedded norm within the village bureaucracy. When leaders are politically elected, the potential for abuse of power by various parties remains open.

Madjid's moral and social perspective finds its normative basis in the legal framework of the Anti-Corruption Law of 1999 (Amended 2001). Articles 2 and 3 emphasize that corruption is not only a morally wrong act but also an economic crime that harms the state. Abuse of authority, such as that which potentially occurs in local political dynamics or in the procurement system, is directly included in the criminal category.¹⁹ Monitoring technologies in *Sisir*, such as *M-Budgeting* and *E-Catalog*, deter violations of Article 3, which regulates the abuse of office for personal gain. Meanwhile, the Village Financial System (*Sistem Keuangan Desa - Siskeudes*) and the Village Governance Safeguarding Program (*Program Jaga Desa*) in *Bulukerto* help prevent village officials from violating Article 8 concerning embezzlement of official fees or Article 12B concerning gratuities.

Furthermore, the emergence of money politics in village head elections potentially violates Article 149 of the New Criminal Code concerning political bribery.²⁰ This shows that corruption in villages is not merely administrative but also tied to local political structures. Both villages demonstrate that corruption prevention cannot be left solely to technology or community participation. Madjid's view emphasizes that human moral integrity remains central to a clean government system. Technology is effective only when supported by an ethos of trust and social integrity, while community participation is useful only when a just political structure rewards it. In this context, *Sisir* and *Bulukerto's* efforts can be understood as steps toward "cultivating integrity." Combining digital systems with community-based social control aligns with Madjid's call to build a modern government that is clean, meritocratic, and grounded in community moral values.

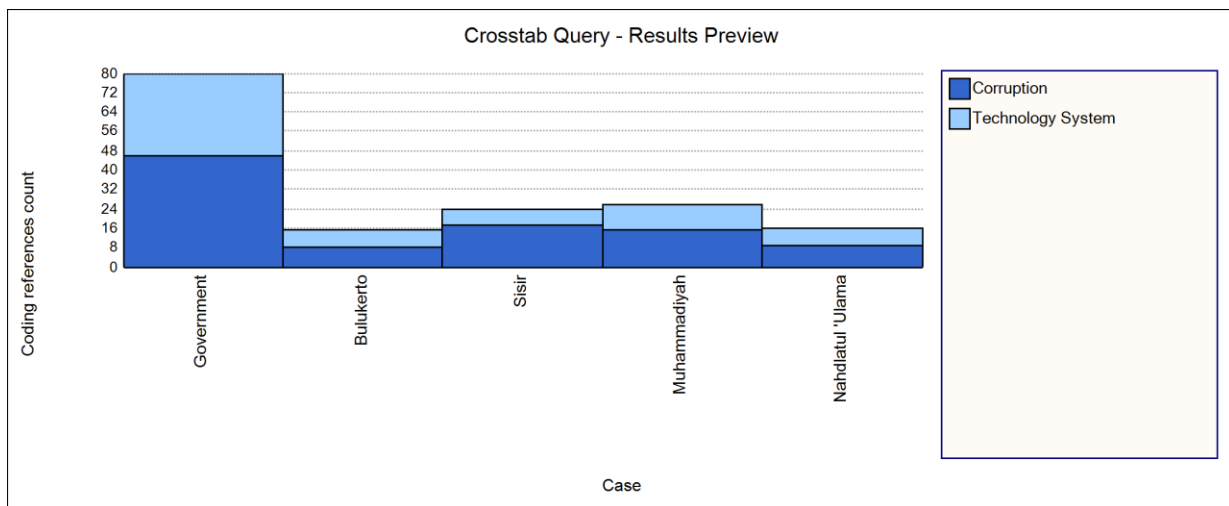
¹⁹ S S Mishra and M M Abdullahi, "Citizens' Satisfaction with Government in a Highly Corrupt Public Life: Role of Trust in Democracy and Civil Society Participation in Somalia," *Journal of Asian and African Studies* 18, no. 1 (2020): 1–18, <https://doi.org/10.1177/0021909619900193>.

²⁰ Tenace Kwaku Setor, P. K. Senyo, and Atta Addo, "Do Digital Payment Transactions Reduce Corruption? Evidence from Developing Countries," *Telematics and Informatics* 60, no. November 2020 (2021): 101577, <https://doi.org/10.1016/j.tele.2021.101577>.

2. Evolution from Manual Fragments to Transparent and Accountable Digital Integration

The transformation of the financial management system from a fragmented manual model to an integrated digital system is not merely a technical administrative issue, but also an ethical, moral, and structural step directly related to the ideals of bureaucratic reform and corruption prevention. From Madjid's perspective, as outlined in *Islam Agama Kemanusiaan* in 1995, transparency and accountability are fundamental values that must become part of public culture. For Madjid, institutional progress cannot rely on regulations alone; it must be accompanied by an ethos of honesty, accountability, and openness. These values form the moral basis for a sound public financial administration system.

Figure 2. Analysis of the Use of Technology Systems in Efforts to Prevent Corruption in Batu City.



Source: author analysis

The Batu City Government has demonstrated a balanced commitment to preventing corruption through both conventional and technology-based approaches. Its strategy extends beyond conventional law enforcement by leveraging information technology to strengthen transparency and accountability in public administration. Online systems have therefore become an important instrument for supporting more open and accountable governance. This approach reflects the broader spirit of digital-based bureaucratic reform, in which technology improves administrative efficiency and public access to government information. Through digital platforms, government institutions can disseminate information and make reporting mechanisms more accessible to relevant stakeholders. Such mechanisms are also expected to reduce opportunities for irregularities by increasing the visibility of government activities and financial management. Nevertheless, the effectiveness of this approach depends largely on the capacity of lower-level government institutions and communities to adopt and utilize the available technological systems.

However, when this policy is cascaded to lower administrative levels, such as sub-districts and villages, implementation gaps begin to emerge. These gaps stem not only from differences in administrative capacity but also from the social, cultural, and economic characteristics of local communities. *Bulukerto Village*, for example, still relies largely on

traditional methods of communicating financial information because of its culturally diverse, predominantly farming-based community. In this context, financial transparency is more effectively communicated through visual media, such as banners displayed in front of the village hall, where residents can easily access the information. This method is more familiar and accessible to residents than digital systems, which they may use less in their daily lives. Using conventional communication channels does not necessarily indicate a lack of commitment to transparency; rather, it reflects adapting the transparency mechanism to local conditions. Thus, implementing anti-corruption and transparency policies at the village level must consider the characteristics, technological literacy, and communication preferences of the communities involved.

In contrast, *Sisir Subdistrict* has successfully adopted a more technology-oriented approach to administrative reporting and transparency. Its strategic location in the city center and its proximity to Among Tani City Hall provide important advantages for coordination and access to technological infrastructure. In addition, its bureaucratic structure, directly connected to the city government, facilitates the implementation of digital reporting mechanisms. The relatively short coordination process allows information and administrative instructions to be transmitted more quickly between the sub-district and the city government. The absence of lengthy coordination chains or bureaucratic “rings” further expedites the adoption and implementation of digital systems. These organizational and geographical conditions create an environment more conducive to technology-based governance than in areas with different social or administrative characteristics. The experience of *Sisir Subdistrict* therefore illustrates how institutional structure, geographical proximity, and administrative coordination can influence the effectiveness of digital-based bureaucratic reform.

On the other hand, civil society also plays a significant role in supporting the implementation and monitoring of the government's anti-corruption program. In Batu City, two major Islamic organizations, Regional Leadership (*Pimpinan Daerah Muhammadiyah - PDM*) and the Nahdlatul Ulama Branch Leadership (*Pimpinan Cabang Nahdlatul Ulama - PCNU*), actively participate in monitoring government policies and promoting greater accountability. Their involvement adds a layer of social oversight beyond formal government mechanisms. *The PDM*, in particular, has internally implemented the principle of transparency in the financial management of its educational institutions. Muhammadiyah schools not only manage the Operational School Funds (*Bantuan Operasional Sekolah - BOS*), but also incorporate funds from donations and exam fees into their financial system. These funding sources are recorded and managed as part of an integrated financial system, allowing their use to be monitored more transparently. This practice shows that transparency and accountability are not limited to government institutions but can also be strengthened through civil society organizations and their affiliated institutions. In his various reform speeches from 1998 to the 2000s, when Indonesia entered the *Reformasi* era, Madjid emphasized the need for moral and structural reform. Moral reform means shaping the character of the bureaucracy and society to uphold honesty, integrity, and the awareness that office is a trust. Structural reform, by contrast, requires changes to systems, procedures, and mechanisms to reduce opportunities for abuse of authority. Therefore, changes to the

technological system in public financial management must be understood as part of a broader agenda to improve morality and institutional structures simultaneously.

In this context, field findings regarding weaknesses in the Budget Planning of School Activity Application (*Aplikasi Rencana Kegiatan Anggaran Sekolah - ARKAS*) and the BOS reporting systems indicate an imbalance between demands for public accountability and the existing system structure. Platform fragmentation, error-prone manual processes, limited real-time transparency, weak audit trails, and rigid data correction processes are structural weaknesses that can indirectly create loopholes for irregularities. While these conditions do not automatically lead to corruption, they can create a "grey area" that reduces the integrity of financial data, hinders accountability, and ultimately harms the public. This situation is reminiscent of Articles 2 and 3 of the Anti-Corruption Law of 1999 (amended 2001); Article 2 emphasizes that unlawful acts that enrich oneself, others, or corporations to the detriment of state finances constitute a serious crime with a maximum penalty of life imprisonment.²¹ Meanwhile, Article 3 regulates the abuse of authority for personal gain or for the benefit of others that also results in state losses. Both articles emphasize that corruption can occur both through explicit acts of enrichment and through abuse of position,²² which often occurs because of weak controls and transparency systems.²³

From an economic perspective, corruption is not only a criminal act but also a factor that undermines bureaucratic efficiency and state finances.²⁴ Even when administrative errors occur without malicious intent, data inaccuracies can impact the quality of public services, policy formulation, budget allocation, and even internal oversight. These gaps can develop into malfeasance when the system lacks adequate controls. Therefore, structural reform through digitizing financial management is a strategic step to minimize these risks. An integrated digital system with a robust audit trail, automated validation, and real-time data consolidation can reduce the scope for abuse caused by manual manipulation or a lack of transparency. The new system developed in this research reflects Madjid's emphasis on a culture of transparency while also addressing the structural anti-corruption demands of the Anti-Corruption Law. Integrating the management of various funding sources into a single platform breaks down the "data silos" that have previously created opportunities for inconsistent reporting. Automated input processes, data validation, and audit trail mechanisms eliminate the potential for human error and data manipulation. A transparent, real-time dashboard strengthens social and bureaucratic control, shifting accountability from reactive to preventative.

Within the framework of moral reform, digital systems also foster a new culture: one of data-driven honesty, not just personal honesty. When every transaction is permanently recorded, every supporting document uploaded to the system, and every change

²¹ Nurmandi Achmad dkk Salahudin., "Elite Capture of Budget Corruption in Three Indonesian Regions," *Viešoji Politika Ir Administravimas Public Policy And Administration* 19, no. 2 (2020): 340–53, <https://doi.org/10.13165/VPA-20-19-2-14>.

²² P Ritonga, "Transparansi Dan Akuntabilitas: Peran Audit Dalam Meningkatkan Kepercayaan Stakeholder," *Equilibrium: Jurnal Ilmiah Ekonomi, Manajemen Dan Akuntansi* 13, no. 2 (2024): 323–336.

²³ Mohammad Fahmi Asyujuti et al., "Pendekatan Integratif Dalam Pencegahan Korupsi: Studi Kasus Dan Solusi Berbasis Transparansi Dan Partisipasi Publik," *Jurnal Penelitian Inovatif* 5, no. 1 (2025): 791–802, <https://doi.org/10.54082/jupin.1229>.

²⁴ Nur Shafiq Kapeli and Nafsiah Mohamed, "Battling Corruption in Malaysia: What Can Be Learned?," *Journal of Financial Crime* 26, no. 2 (2019): 549–55, <https://doi.org/10.1108/JFC-04-2018-0044>.

automatically recorded, deviations become more difficult²⁵. This is where the system plays a role as moral technology, a technology that supports the development of ethical behavior. Within the framework of structural reform, the new system establishes a more rational, efficient working mechanism, and one that aligns with the principles of modern state governance²⁶. Clear workflows, defined procedures, and consistent data standards are structural improvements long demanded by reform. This aligns with the mandate of the Corruption Eradication Law, which requires the state to create a system that prevents abuse of authority. In other words, poor structures can contribute to corruption, while good structures prevent it.

Furthermore, the new system, which integrates budgeting, administration, spending activity reports, purchasing reports, and the upload of supporting documents, reflects efforts to build an accountability ecosystem. This ecosystem strengthens public trust, which, according to institutional economic theory, is essential social capital for government growth and effectiveness. Real-time transparency not only fulfills the principles of good governance but also serves as a "bureaucratic vaccine" against corrupt practices²⁷²⁸. Thus, the shift from the old, fragmented system to the new, integrated system is not merely a technical innovation. It represents a concrete step toward realizing the Islamic humanitarian values championed by Madjid, while also meeting national legal demands to eradicate corruption. This transformation shows that moral and structural reform can proceed in harmony, using technology as infrastructure for ethics and public accountability.

Conclusion

The findings suggest that corruption persists not merely because of weaknesses in administrative procedures or technological systems, but because of the interaction between institutional structures and the moral culture underlying public governance. Field findings from *Sisir Subdistrict* and *Bulukerto Village* indicate that technologies such as *M-Budgeting*, *E-Catalogue*, *Siskeudes*, and *Jaga Desa* do increase transparency, but do not automatically create clean governance if the ethos of trust and social integrity is weak. From Madjid's perspective, this finding reinforces the view that corruption is fundamentally a moral and cultural problem that requires strengthening public morality, ethical leadership, social integrity, and institutional reform simultaneously. Thus, technological innovation should be positioned not as a substitute for moral transformation, but as a complementary instrument for building accountable and clean governance.

This study has several limitations that readers should consider when interpreting its findings. First, the analysis focuses on a limited number of local cases in Batu City, which may constrain the generalizability of the findings to other local governments with different social,

²⁵ Ifigenia Georgiou et al., "Blockchain for Accounting and Auditing—Accounting and Auditing for Cryptocurrencies: A Systematic Literature Review and Future Research Directions," *Journal of Risk and Financial Management* 17, no. 7 (2024), <https://doi.org/10.3390/jrfm17070276>.

²⁶ D Appelbaum and T Wang, "Blockchain and Real-Time Financial Reporting: Transforming the Budgeting Cycle through Distributed Ledger Technology," *International Journal of Accounting Information Systems* 52, no. 2 (2024): 15–32, <https://doi.org/10.1016/j.accinf.2023.100650>.

²⁷ A Frinaldi, A P T Rezeki, and B Saputra, "Digital Transformation of Government Administration: Analysis of Efficiency, Transparency, and Challenges in Indonesia," *AAPA-EROPA-AGPA-IAPA International Conference 2024 Towards World Class Bureaucracy* 2023, no. 95 (2024): 82–01, <https://doi.org/10.30589/proceedings.2024.1096>.

²⁸ Tinuk Dwi Cahyani et al., "When Technology Meets Transparency & Accountability: A Strategy to Prevent Corruption in Local Government," *Legality: Jurnal Ilmiah Hukum* 34, no. 1 (2026): 306–20, <https://doi.org/10.22219/ljih.v34i1.42538>.

cultural, and institutional characteristics. Second, the study highlights the challenges posed by local political dynamics, the potential criminalization of public officials, and disparities in digital capacity, but these factors require further investigation to establish their broader implications for anti-corruption governance. Third, the study does not comprehensively examine how differences in institutional capacity and political structures affect the long-term sustainability of digital-based transparency mechanisms. Future research should therefore examine the implementation of digital anti-corruption systems across a wider range of local governments and communities. Comparative research could further investigate how social, cultural, political, and institutional contexts shape the effectiveness of such systems. Future studies should also explore how Madjid's ideas concerning public morality, integrity, and clean government can be adapted to diverse institutional settings. Such research could examine how these ideas translate into concrete institutional mechanisms and anti-corruption practices responsive to local conditions. By addressing these limitations, future research can contribute to a more comprehensive understanding of how digital governance, institutional integrity, and community values can be integrated to strengthen sustainable anti-corruption efforts.

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