The influence of Islamic Law on corruption perceptions and its impact on public trust in the City of Bandung, Indonesia

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ARTICLE INFO

Article history:

Received 18 December 2021

Received in rev. form 07 Feb. 2022

Accepted 18 February 2022

Keywords:

Corruption; Islamic Law; Public Trust

JEL Classification:

O15, P36

ABSTRACT

The main objective of this paper is analyzing the influence of Islamic law on corruption perceptions and its impact on public trust in the city of Bandung, Indonesia. This research is located in Bandung with the research subject is the people of the city of Bandung who have an identity card. The sampling technique used in this study is non-probability sampling and the sample used is purposive sampling, namely the sample is selected by giving certain conditions to respondents who have met the sample criteria. The sample in this study was 100 people, then for the data analysis technique in this study using the SMART-PLS version 3 application software. The main finding is Islamic law and perceptions of corruption simultaneously affect public trust by 79.7%, the rest is influenced by variables that are not used in this study.

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Introduction

Transparency International, an international organization founded in 1993 in Berlin Germany, has released an index of corruption perceptions since 1995. In the 2020 corruption index, for example, it is known that out of 180 countries in the world, 121 of them, or 67.22% have a low corruption index. This means that corruption is still a serious problem. There are even some countries that are in the lowest position, so that they are included in the red zone index category, corrupt countries. Meanwhile, if you look at the past few years, namely in 2011 - 2020, that the corruption index in Islamic countries is mostly below 50 (fifty), even many of them are in the red zone (Sudarti & Sahuri, 2019; Isra et al., 2017; Firmansyah et al., 2020). Entering the 21st century, the attention and concern of the international community on the issue of corruption is increasing, culminating in the United Nations Convention Against Corruption (UNCAC) convention which was ratified at the Diplomatic Conference in Merida Mexico in December 2003. In the opening section of the UN Convention, it was emphasized that the public The international community is concerned about the seriousness of the problems and threats that corruption poses to the stability and security of society, which undermines democratic institutions and values, ethical values and justice, and jeopardizes sustainable development and the rule of law. Therefore, it is necessary to believe in a comprehensive and multidisciplinary approach to prevent and combat corruption effectively (Thalib et al., 2017; Wibowo, 2018; Kusuma et al., 2019).

The implementation of a clean state is important and indispensable to avoid corrupt practices that not only involve the officials concerned, but also their families, which if left unchecked, the Indonesian people will be in a very disadvantaged position. Corruption crimes are not only committed by state administrators, between state administrators, but also state administrators with other parties such as families, cronies and businessmen, thereby damaging the joints of social, national and state life, and endangering the existence of the state. The development of corruption in Indonesia is still relatively high, while its eradication is still very slow. Eradication

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<https://doi.org/10.20525/ijrbs.v11i1.1682>

steps are still stalled until now. Furthermore, it is said that corruption is also related to power because with that power the ruler can abuse his power for personal, family and cronies' interests (Olkey, 2007; Suud, 2020; Dirwan, 2019; Najih & Wiryani, 2020).

Based on the main problem above, this article presents to analyzing the influence of islamic law on corruption perceptions and its impact on public trust in the city of Bandung, Indonesia. Furthermore, testing the hypothesis directly on the perception of corruption to determine the effect of Islamic law on the perception of corruption.

Literature Review

Suhardjanto et al. (2018) provided empirical evidence of accountability on curbing corruption in provincial governments in Indonesia. They showed that the audit findings and rectification effort has positive significant effect on corruption and audit opinion has negative significant effect on corruption in provincial governments in Indonesia. Sarwono et al. (2018) examined the factors that affecting corruption in Indonesia local governments. The sample used in this study consist of 225 Indonesian local governments. The showed that the the Regional Financial Information System (SIKD) has no effect on the corruption of local government. The control variables used in this study include the government's internal control system (weaknesses of accounting and reporting controls, weaknesses of controlling the execution of the budget and the weakness of the internal control structure) and the characteristics of local government (size of local government, asset, and balanced fun. Riyadi et al. (2020) analyze the culture of corruption politicians' behavior in parliament and state official during reform government Indonesia. They showed that the culture corruption behavior of politicians in the parliament and bureaucracy in the reform era in Indonesia is still ongoing corruption can be said as a culture of corruption that has been so severe, that Indonesia is almost categorized as a kleptocracy country, and as a country ruled by thieves (klepto) and even has been spread of viral infections or COVID 19.

Some literature about corruption in Bandung. Harahap & Destiwati (2013) discussion about how the corruption be done by members of the board in Parliament at Bandung. They use a qualitative descriptive approach, participant observation, in-depth interviews and literature study. Also, the results showed that the corruption forms be done the Ngabudi Ucing, in Sundanese language, so much going on mark up in the budget, the budget fraud, twin budget and create a new budget. Budiana et al. (2016) proposed to critically analyse social media utilization phenomenon, involving public participation, in Bandung city government. They show that Bandung city government has developed various programs and innovations through social media in running the government. Sinarto & Fettry (2018) studied of corruptors demography to prevent corruption, study on court judgment at Bandung district. Arwati & Latif (2019) presented the level of trust of society towards transparency finance in e-government. They show that the financial transparency in e-government affected people's trust. Wicaksono (2020) presented the extent to which the Bandung Corruption Court (Bandung Tipikor Court) has accomplished the authority's enforcement. They showed that the the Bandung Tipikor Court has not achieved the optimum standard for the enforcement of its authority since the funding for services and oversight and control is not adequate to enable the application of the authority held by the Bandung Tipikor Court. Arsalan & Widyatama (2020) examined the level of public satisfaction with the transparency of information on e-government platforms in Bandung City. They use a descriptive method. Also, they showed that the public is satisfied with the transparency of information contained in e government.

Research and Methodology

This research is located in Bandung with the research subjects of the people of Bandung city who have identity cards. The resources used are primary data sources, which are data obtained from respondents through questionnaires distributed via google form and then secondary data which refers to data that has been collected by sources. The sampling technique used in this study is non-probability sampling and the sample used is purposive sampling, namely the sample is selected by giving certain conditions to respondents who have met the sample criteria and are willing to be samples in this study. The criteria are people who have identification cards from Bandung. In this study, the researchers distributed questionnaires through Google Form while the sample in this study was 100 people, then for the data analysis technique in this study using the SMART-PLS version 3 application software. In this paper, quantitative approaches and path analysis calculations have been presented to describe and test the relationship model between variables. The data processing tool is SMARTPLS version 3 which is used to test the outer model, indicators, model test, hypotheses (inner model) and panel data regression analysis to see the effect of existing variables. The data analysis technique uses SEM (Structural Equation Modeling) causality analysis based on components or variances, known as Partial Least Square (PLS). SEM is very effective and efficient in this research, because it is able to describe the concept of a model with latent variables (variables that cannot be measured directly) but can be measured through indicators. The path analysis research framework model has been shown in Figure 1.

Figure 1: Framework Model

Analysis and Findings

Characteristics of Respondents

The characteristics of the respondents were processed by Microsoft excel, with the results as presented in Table 1.

Table 1: Characteristics of Respondents

Characteristics of Respondents		Amount	Percentage
Gender	Male	63	63%
	Female	37	37%
Age	< 20 Years	20	20%
	21-25 Years	42	42%
	26-30 Years	31	31%
	31 Years Over	7	7%
Type of Work	Businessman	9	9%
	Private Sector Employee	37	37%
	Housewife	27	27%
	Civil Servant	18	18%
	Student	9	9%

Based on Table 1, it can be seen that for the sex that is the most dominant in responding to perceptions of corruption, namely men, then for the age most dominated in responding to perceptions of corruption, 21-25 years, then for the type of work that responds to perceptions of corruption, it is more dominated by private workers.

Evaluation of the Outer Model

The outer model is a measurement model to assess the validity and reliability of the model. The validity test was conducted to determine the ability of the instruments used in the study to measure the concepts used. Data analysis using SmartPLS software is based on convergent validity, discriminant validity, and composite reliability. Convergent validity of the measurement model using reflective indicators is assessed based on the loading factor of the indicators that measure the construct. The rule of thumb that is commonly used to assess convergent validity is that the loading factor value must be more than 0.7 for confirmatory research and the loading factor value between 0.6-0.7 for exploration is still acceptable and the AVE (Average Variance) value is acceptable. The extracted must be greater than 0.5 which will be presented in Figure 2.

Figure 2: Outer Model

Based on the Figure 2 results of the analysis, it can be stated that the measurement model already has adequate convergent validity by looking at the factor weight coefficients which are all greater than 0.50.

Convergent Validity

The measurement of convergent validity of the measurement model uses reflective indicators that are assessed based on the loading factor of the indicators that measure the construct. This study uses 3 variables with 17 indicators. Among them are 7 indicators for Islamic law, 5 indicators for perception of corruption and for public trust 5 indicators, these will be presented in Table 2.

Table 2: Average Variance Extracted

Construct	Average Variance Extracted
Corruption Perception	0.838
Islamic Law	0.867
Public Trust	0.849

Based on Table 2, the results of the measurement model test are obtained as follows:

- The construct of the perceptions of corruption variable as measured by the perception_1 to 5 indicators, all indicators have a loading factor above 0.5 with the average value of the extracted variance being $0.838 > 0.5$.
- The construct of Islamic law variables as measured by Islamic Law indicators 1 to 7, all indicators have a loading factor above 0.5 with the average value of the extracted variance being $0.867 > 0.5$.
- The construct of the public trust variable as measured by the indicators Trust_1 to 5, all indicators have a loading factor above 0.5 with the average value of the extracted variance being $0.849 > 0.5$.

Discriminant Validity

The measurement of discriminant validity was assessed based on the measurement of cross loading with the construct or by comparing the AVE roots presented in Table 3.

Table 3: Discriminant Validity

	Corruption Perception	Islamic Law	Public Trust
Corruption Perception	0.779		
Islamic Law	0.778	0.744	
Public Trust	0.836	0.848	0.789

Based on Table 3, the results of the measurement model test can be seen that the square root value of the AVE (0.779, 0.744, and 0.789) is greater than each of the variable constructs. After testing the validity of the statement items from Table 2 and Table 3, it was found that all statement items were declared "Valid" or in other words the research measuring instrument could be used in further research. Then for testing the measurement data analysis will use the reliability test.

Reliability Test

Reliability testing is the next stage carried out by researchers to test the instrument of a data. PLS also uses a reliability test to measure the internal consistency of the measuring instrument. The reliability test on PLS can use two methods, namely the reliability of Cronbach's alpha and Composite. The measurement of the reliability coefficient value of Cronbach's alpha and Composite which shows a value of 0.6 indicates that reliability is considered less good. However, it can still be used for further analysis, and if the reliability coefficient of Cronbach's alpha and Composite shows a value of 0.6 to 0.7, then the reliability is acceptable. If the Cronbach alpha and Composite reliability coefficients show a value of 0.8, then the reliability is considered good. The Cronbach Alpha Value and Composite Reliability can be seen in Table 4.

Table 4: Cronbach Alpha Value and Composite Reliability

Construct	Cronbach Alpha	Composite Reliability
Corruption Perception	0.837	0.885
Islamic Law	0.865	0.897
Public Trust	0.848	0.892

Based on Table 4, the results of the measurement model test can be seen that the reliability value of Cronbach alpha and composite each variable shows 0.8. So, reliability is considered good. After testing the reliability of the statement items from all variables, the results show that all items are declared "Reliable" or in other words the research measuring instrument is feasible to be used in further research.

Coefficient of Determination R^2

Structural capital in PLS is evaluated using R^2 or R Square. This aims to explain how much influence the dependent variable has on the independent variables presented in Table 5.

Table 5: R-Square Value

Construct	R-Square
Corruption Perception	0.607
Public Trust	0.797

Based on Table 5, the R-Square value for the perception of corruption is 0.607, which means that Islamic law can influence the perception of corruption by 60.7% and the remaining 39.3% can be explained by other variables. Then the R-Square value for public trust is 0.797, which means that Islamic law variables and perceptions of corruption can affect public trust by 79.7% and the remaining 20.3% can be explained by other variables.

Hypothesis test

For the dependent variable and the path coefficient value (β), the significance value is then assessed based on the t-statistic value of each path as presented in Figure 3.

Figure 3: SEM PLS

Then, the structural model will be presented in Table 6.

Table 6: Hypothesis Testing Results

Construct	Original Sample	t-Statistics	P Value	Conclusion
Corruption Perception -> Public Trust	0.444	6.035	***	Significant
Islamic Law -> Corruption Perception	0.779	23.780	***	Significant
Islamic Law -> Public Trust	0.502	7.102	***	Significant

Based on the Table 6, the results of testing the data analysis of hypothesis testing, the following explanation is obtained:

Effect of Islamic Law on Perceptions of Corruption

The results of the hypothesis test show that a direct path analysis between Islamic law and perception of corruption has a beta coefficient value of $0.000 < 0.05$ and a t-statistical value of $23.780 > 1.96$. This shows that Islamic law has a positive and significant influence on perceptions of corruption in the Bandung city government

Effect of Islamic Law on Public Trust

The results of the hypothesis test show that the direct path analysis between Islamic law and public trust has a beta coefficient value of $0.000 < 0.05$ and a t-statistical value of $7.102 > 1.96$. This shows that Islamic law has a positive and significant influence on people's trust in the Bandung city government.

Effect of Perceptions of Corruption on Public Trust

The results of the hypothesis test indicate that the direct path analysis between the perception of corruption and public trust has a beta coefficient value of $0.000 < 0.05$ and a t-statistical value of $6.035 > 1.96$. This shows that the perception of corruption has a positive and significant influence on public trust in the Bandung city government.

Then for indirect hypothesis testing, it can be seen from the structural model or inner model presented in Table 7.

Table 7: Indirect Effect Test Results

Construct	Original Sample	t-Statistics	P Value	Conclusion
Islamic Law -> Corruption Perception -> Public Trust	0.346	5.980	****	Significant

Based on Table 7, the results of indirect hypothesis testing show that the indirect path analysis between Islamic law on perceptions of corruption and its impact on public trust has a beta coefficient value of $0.000 < 0.05$ and a t value of $5.980 < 1.96$. This shows that Islamic law has a significant influence on perceptions of corruption and its impact on public trust in the Bandung city government.

Conclusions

In this paper, we have studied the influence of Islamic law on corruption perceptions and its impact on public trust in the city of Bandung, Indonesia. The main finding is Islamic law and the perception of corruption simultaneously affect public trust by 79.7%, the rest is influenced by variables that are not used in this study.

To test the hypothesis directly on the perception of corruption, Islamic law has a significant influence on the perception of corruption, so this shows that if Islamic law is included in making punishments for corruptors in the city of Bandung, it will cause a decrease in corruption of government employees.

Based on the results of direct hypothesis testing on public trust, Islamic law and perceptions of corruption have an influence on public trust, so this shows that the divine approach in eradicating corruption can apply the concepts contained in the Qur'an or Al-Hadith that are relevant to enforcement. law both in the realm of legal substance, legal structure and legal culture. If the existing problem has a new nature and character, then Ijtihad can be done. Such as entering criminal penalties for corruption in the realm of ta'zir.

Furthermore, based on the results of indirect hypothesis testing, Islamic law on the perception of corruption and its impact on public trust has a significant relationship, so this explains that corruption has become entrenched and has become a latent danger for the Indonesian people, it is necessary to continue to do this. renewal of national law with an Indonesian character and personality. Namely, the law on eradicating corruption that has the spirit of Pancasila and the spirit of divinity through an Islamic legal approach in eradicating corruption can be used as an alternative to the Criminal Code. This does not violate the Unitary State of the Republic of Indonesia which is based on Pancasila.

Author Contributions: Conceptualization, YH., ES.; Methodology YH., ES.; Data Collection, YH., ES.; Formal Analysis, YH., ES.; Writing—Original Draft Preparation, YH., ES.; Writing—Review And Editing, YH., ES. All authors have read and agreed to the published the final version of the manuscript.

Institutional Review Board Statement: Ethical review and approval were waived for this study, due to that the research does not deal with vulnerable groups or sensitive issues.

Data Availability Statement: The data presented in this study are available on request from the corresponding author. The data are not publicly available due to privacy.

Conflicts of Interest: The authors declare no conflict of interest.

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