# Neo-Nepotism In Business Which Reduces the Quality Of Democracy

Jordan Tiblola<sup>1</sup>, Aang Munawar<sup>2</sup>, Fauzi<sup>3</sup>, Rahul Chauhan<sup>4</sup>, Yenni Patriani<sup>5</sup>

 <sup>1</sup>Fakultas EkonomidanBisnis, Universitas Victory Sorong, Indonesia. Email: Jordantiblola@Gmail.com
<sup>2</sup>Institut BisnisdanInformatikaKesatuan, Indonesia. Email: Aangmun@Yahoo.Com
<sup>3</sup>STMIK Pringsewu, Lampung, Indonesia
<sup>4</sup>Parul University, India
<sup>5</sup>IAIN Bengkulu, Bengkulu, Indonesia

## Abstract

The direct election of the leaders of executiveand legislative institutions in Indonesia has provided a paradoxical reality in efforts to improve the quality of democracy in Indonesia. On the one hand, it emerges the strong legitimacy of democracy while on the other hand, it appears nepotism as a new style of candidate strategy to win the fight. Several regencies in South Sumatra Province have shown this symptom. It seems that some regional leaders have blood relations and inter-party kinship. This occurs as a strategy to control the opinion of bureaucrats, politicians, and the community through control of access to positions and control of regional economic resources so that electability resources can be controlled through controlling the power knots of the community. The community becomes marginalized in determining their chosen leaders and representatives. The facts show that the level of community political participation is decreasing along with the shifting of bureaucratic loyalty to individual loyalty. Latent resistance has emerged that is detrimental to the quality of democracy.

Keywords: neo-nepotism, business, democracy, government, political participation

## 1. INTRODUCTION

The democratic values promoted by the Indonesian political system are biased towards the direction. The understanding of the principles "government of the people, by the people, and for the people" has changed to become "government of the people, by the regime, and for the regime. The rise of the kinship dynasty monarchy emerged as a political strategy to control the road map to preserved power. Prospective leaders open their strategic arenas, starting from controlling the positions of political parties, placing loyal bureaucrats to them, maintaining community leaders. The community voters are used as the medium, the election organizer becomes the legalizer, and political parties become the broker. This situation is considered as an effective way rather than relying on the political party machine. Large political costs will be more efficient if it is a combination of cooperation efforts by relatives rather than members of political parties. Through the direct election system, there is free competition between cadres and cadres from other parties who require greater funds than the funds donated to the party. With dominant individual interests, a collaboration between cadres is considered biased because it contains high speculation regarding loyalty, whereas if it is carried out between relatives, the certainty of loyalty will be more guaranteed which in turn will be a stronger collaboration to control the top leadership.

As a developing country, Indonesia has a strong interest in the accountability of the people's sovereignty by state executives. This is due to the correlation between the level of democracy of a country and the level of the economic welfare of the people [1]. The people's freedom in determining their destiny affects their choice of the democratic system and leaders they want. There were 7 categories of the relationship, namely:

- 1. In the first category, 19 countries are categorized as countries with high levels of welfare (income per capita [Y / capita] 22,000 to 62,000 US dollars and the Human Development Index [HDI] 0.86 to 0.96 with a high level of democracy. (Freedom Index / FI, 1.5 to 1) for example Luxembourg, the US, and Norway.
- 2. In the second category, there is 1 country with a high level of welfare (Y / capita, 23,000 dollars, and HDI 0.9) and a moderate level of democracy (partly free, FI = 4.7), namely Singapore.
- 3. In the third category, there are 16 countries with a middle welfare level (Y / capita, 9,600 to 22,000 dollars and HDI 0.86 to 0.93) and a high level of democracy (FI between 1.5 to 1), for example, New Zealand.
- 4. In the fourth category, there are 2 countries with medium welfare levels (Y / cap, 9,000 to 9,300 dollars and HDI 0.79 to 0.81) and medium levels of democracy (FI, 4.5 to 2.5), namely Mexico and Malaysia.
- 5. In the fifth category, there are 9 countries with low levels of welfare and high levels of democracy (FI, up to 1.5), namely Latvia, Romania, Bulgaria, El Salvador, Philippines, Bolivia, India, Ghana, Gambia.
- 6. In the sixth category, there are 17 countries with low levels of welfare (Y / capita, 1,200 to 7,500 dollars and HDI 0.45 to 0.76) and medium levels of democracy (FI, 4 to 2.8), namely Ecuador, Brazil, Senegal, Malawi, Venezuela, Indonesia, Ukraine, and Tanzania.
- 7. In the seventh category, there are 6 countries with low welfare levels (Y / cap, 1,850 to 6,300 dollars and HDI 0.6 to 0.72) and low levels of democracy (FI, up to 5.5), for example, Tunisia and Egypt.

The spirit of reform in 1998 has ushered the Indonesian nation into a new era of democratic systems. The sovereignty entrusted by the community to their representatives seems to have lost the weight of their trust. The community took back this mandate marked by changes in the electoral system to determine the highest national leaders (President and Vice President) and regional leaders both at the provincial level (Governor and Deputy Governor) and at the district/city level (Regent/ Deputy Regent and Mayor/DeputyMayor), namely from elections by representatives to direct elections by the community [2].

Changing the way of elections is not easy. Of the four amendments to the The Constitution of the Republic of Indonesia of 1945, the agreement of the representatives of the community can only be found in the third amendment (The Year 2001), namely the issuance of Article 6 A for 4 paragraphs namely paragraph (1), paragraph (2). Paragraph (3), and paragraph (5), meanwhile for paragraph (4), the only agreement was obtained on the fourth amendment (The Year 2002). (The Secretariat General of the People's Consultative Assemblyof Republic Indonesia. This shows that the struggle of the people's representatives to return sovereignty to the people requires a long period of debate. This is motivated by a strong desire to maintain a presidential system of government with strong legitimacy and to express the concept of people's sovereignty clearly [3]. This change also means that the President and his representatives have a stronger and more visible power as holders of the people's sovereignty. So it is no longer the mandate of the People's Consultative Assembly (MPR) as before.

This is also the background for the emergence of direct regional head election regulations stipulated in Law Number 32 of 2004. Governors, Regents/Mayors, and their representatives are directly elected by the people (Article 24 paragraph (5)).

The data shows that Indonesia is included in the category of low welfare country, but its level of democracy is included in the middle category. This is better than Egypt and Vietnam, where the level of welfare is low and the level of democracy is low [4]. However, compared to Indonesia, Malaysia is better both in terms of democracy and welfare, especially with Singapore which has a high level of welfare and high democracy.

## 2. The Reality of Democracy

The province of South Sumatra is one of the provinces in Indonesia which started the direct election for the governor in 2008, while the direct election for regents and mayors began in 2005. At the beginning of the general election, the phenomenon that emerged was still natural, namely a relatively high enthusiasm for participation which was reflected in at the level of community participation to vote at the voting place (TPS) that have been determined [5]. In the period 2005-2006, the voter turnout ranged from 69, 19% to 81.56%. The Ogan Komering Ulu (OKU) has a participation rate of 74.78%, East OKU 81.56%, South OKU 76.34%, Musi Rawas Ogan Ilir 71.97%, and Musi Banyuasin 69.19%. From this number, the invalid votes ranged from 1.24% to 3.40%. The last post-conflict regional head election in South Sumatra was in 2011 in Musi Banyuasin Regency, which was attended by 62% of the population. There is a tendency for the level of participation to continue to decline.

The figure for the level of participation indicates that not all citizens who have the right to vote actively participate in voting in the relevant of the Regional Head Election (Pemilukada) because many of them still abstain. This situation needs to be examined carefully because the essential objective of the Regional Head Election (Pemilukada) is the people's mandate which is concretized in the form of ballots. The bigger thelegitimate votes, the better the legitimacy of the government [6]. Conversely, if there are fewer legitimate votes, it means that the level of support (legitimacy) of the people for the elected leader is getting smaller. One indicator of the success of the General Election is the increase in public confidence in the election results. Participatory development supported by the people desperately needs the legitimacy of the people. That is the essence of sovereignty in the hands of the people (Article 1 paragraph (2) of the 1945 Constitution).

The dominant-negative phenomenon that appears is *money politics*. Both legislative and executive elections. Even though the General Election Supervisory Agency(Panwaslu) has never succeeded in bringing the case to court, the fact in the community of money politics is a method the success team has used in influencing the people's choice, either directly or indirectly, such as in the form of basic food assistance, provision of goods, as well as openlygive money with messages to choose a specific person [7].

This phenomenon is increasingly varied with more complex nuances. It can be seen by the emergence of a phenomenon after the legislative election, namely the emergence of elected candidates who have kinship although different political parties. This phenomenon becomes very interesting because in some areas this trend becomes more meaningful when positions controlled by elites who have kinship ties involve positions of political elites such as Regent and the Regional House of Representatives(DPRD), which then indirectly penetrate to the determination of echelon II officials in the government concerned [8]. In government in the South Sumatra Province, these phenomena include:

- 1. Ogan Komering Ilir Regency: The Regent and The Head of Regional People's Representative Assembly are siblings eventhouh different political parties
- 2. EmpatLawang Regency: The Regent and The Head of Regional People's Representative Assembly are siblings
- 3. South Sumatera Deputy Governorand Vice Regent of South OganKomeringUlu are relatives
- 4. The Regent of OganIlir Regency and Vice Regent of Prabumulih are siblings
- 5. South Sumatera Province Governor in 2011 nominated his own son to become the Regent of MusiBanyuasin Regency even though he eventually lost.

This situation is an impact of the direct regional head election system which is synergistically utilized to optimize its energy through direct legislative elections with the aim of controlling power effectively, efficiently, preserved, and lasting.

## 3. Paradoxical Strategies That Reduce the Quality of Democracy

The quality of democracy cannot be separated from the role of the political elite. The awareness of political elites on ethics and democratic goals greatly affects the quality of democracy because it delivers political civilization that is meaningful for the quality of the nation's civilization as a whole [9].

The awakening of the spirit of the political sector moved by the spirit of reform in 1998 has prompted the rolling of the taps of political democracy which gave birth to Law No. 2 of 1999 concerning Political Parties and Law No. 3 of 1999 concerning the General Election of Members of House of Representatives (DPR), the Provincial of House of Representatives(DPRD) and Regency/City ofRegional House of Representatives(DPRD). The single principle of Pancasila is no longer any obligation for Political Parties. In essence, Pancasila is returned to the National Principle which automatically has inspired the spirit of the political aspirations of the citizens by implementing an open multi-party system, replacing a closed one-party domination system [10].

When the 1999 General Election was held, there were recorded 48 political parties participating in the election. This number was reduced by half when the 2004 General Elections were declared, namely 24 political parties. The freedom that has been open since 1998, where there has been an improvement in the Law on Political Parties, namely by Law No. 31 of 2002, in fact, there has been no fundamental change in the ideology of Political Parties. Even though there are several Political Parties that firmly state their party ideology, such as Islam, nationalism, socialism, in practice, they emphasize more on pluralism [11]. For example, Nastional Mandate Party (PAN), although they put Islam as the Party's ideology, they opened themselves up to the presence of non-Muslim members. Likewise withNational Awakening Party (PKB). Only a few political parties hold strongly to their basic ideologies but they tend to be marginal, such as the Bulan Bintang Party (PBB), PPNU, and PBR.

The openness surrounding the spirit of reform has opened up political parties to be less rigid in holding party ideals. There is a phenomenon that political parties tend to be pragmatic. This is strongly indicated by the large number of party officials who are not from their militant cadres but come from people outside the party who have strong capital (funds) [12]. Although the number of parties is always increasing, the three color groups of party ideology, namely nationalist/socialist, spiritual, and semi-functional (work) are still the main groups with variations among them.

The development of a pragmatic and instant culture that permeates the soul of the party has a negative influence on the quality of democracy. The democratic values promoted by the Indonesian political system are biased towards the direction. The understanding of the principles "government of the people, by the people, and for the people" has changed to become "government of the people, by the regime, and for the regime" [13]. The rise of the kinship dynasty monarchy emerged as a political strategy to control the road map to preserved power. Political parties are controlled as political vehicles, not as a means of channeling political aspirations based on certain ideologies.

Control of political parties through control of management by certain groups in the form of Neo-Nepotism in businessnetworks. Nepotism is built as a way to guarantee the loyalty of political party officials to a certain goal. The existing loyalty of political party officials tends to be fake because it is poisoned by money politics [14]. This means that the political costs are high. However, if the management of a political party is controlled by certain nepotism, loyalty will be more guaranteed because there are strong integrated interests that have high holistic interdependence ties (power, position and prestige). Thus the political costs can be cheaper.

Besides, to secure the power to be achieved, there are circles 1 and 2. Circle 1 includes the intended power, and circle 2 includes the custodian power that maintains the continuity of the main power [15]. Therefore, this nepotism circle collaborates to help each other in both the legislative and executive elections, so that they can control the positions in circles 1 and 2. It is what will create a new monarchy in the style of neo-nepotism [16].

Prospective leaders open their strategic arenas, starting from controlling the positions of political parties, placing loyal bureaucrats to them, and maintaining community leaders to gather votes for the position of the local regional head. The community votersare used as the medium, the election organizer becomes the legalizer, and political parties become the broker. This state of affairs is considered an effective way rather than relying on a political party machine. Large political costs will be more efficient if it is a combination of mutual cooperation efforts by relatives rather than members of political parties [17]. Through the direct election system, there is free competition between cadres and cadres from other parties who require greater funds than the funds donated to the party [18]. With dominant individual interests, a collaboration between

cadres is considered biased because it contains high speculation in relation to loyalty, whereas if it is carried out between relatives, the certainty of loyalty will be more guaranteed, which in turn will be a stronger collaboration to control the top leadership [19].

This strategy is very beneficial for prospective leadership candidates, both executive and legislative. However, the paradox makes the quality of democracy is declining. Political manipulation makes the votes obtained represent a false mandate [20]. In line with this, society becomes apathetic because it can be seen on the stage of power that a monarchy is being built. It can be seen from the decreasing level of community participation in line with the increasing number of families of officials holding political positions [21].

Democracy requires an ethic of individual freedom to express aspirations. Citizens must be guaranteed freedom in expressing their opinions and thoughts. However, the freedom must comply with the rules and laws of the country as well as the cultural norms of the people in the democratic system [22]. Democratic manipulation that manipulates mandate is as dangerous as unlimited freedom, that is, it will threaten the continuity of democracy. It is worth the danger of apathy with anarchists.

Therefore, political manipulation that takes advantage of the negligence or weakness of direct election rules must be anticipated in a visionary and comprehensive manner [23]. The state must protect the basic rights of every individual, and at a certain level, the state must take a position in the interests of these values. It is better if the government regulations limit the possibility of Neo-Nepotism in businessin controlling political and governmental positions [24]. This will prevent people from being marginalized in determining their chosen leaders and representatives which can lead to latent resistance that is detrimental to the quality of democracy which can ultimately reduce the legitimacy of the government.

## 4. CONCLUSION

The direct election of leaders of the executive and legislative institutions in Indonesia has provided a paradoxical reality in efforts to improve the quality of democracy in Indonesia. On the one hand, it emerges the strong legitimacy of democracy and on the other hand, it emerges nepotism as a new style of candidate strategy to win the battle.

The democratic values promoted by the Indonesian political system are biased towards the direction. The rise of the kinship dynasty monarchy emerged as a political strategy to control the road map to preserved power. The community votersare used as the medium, the election organizer becomes the legalizer, and political parties become the broker. This situation is considered as an effective means.

The political manipulation that takes advantage of the negligence or weakness of direct election rules must be anticipated in a visionary and comprehensive manner. The state must protect the basic rights of every individual, and at a certain level, the state must take a stand in the interests of these values in the form of making rules that limit in a controlled manner the possibility of Neo-Nepotism inbusinessin the control of political and governmental positions.

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