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Model of Political Party Financial Regulation in Post-Reformation Indonesia

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Abstract: One of the sine qua non in modern democracies is the existence of political parties. In the context of the Indonesian state administration, the important role of political parties is emphasized through the provision of important functions by amending the 1945 Constitution of the Republic of Indonesia. To carry out the important functions of political parties, access to money is needed, but in politics the role of money must be regulated to prevent the negative impact of money in democracy. This research is a normative legal research, descriptive-prescriptive in nature, focusing on examining primary and secondary legal materials, using a statutory and conceptual approach. Since the beginning of the reformation period in the general elections of 1999, 2004, 2009, and 2019, the financial regulation of political parties in Indonesia has followed a prescription model, which is a regulatory model that issues orders and dictates the sources of revenue for political parties but does not regulate or dictate the use of political party funds. Efforts to maximize political parties' financial arrangements in order to ensure their independence and strengthen the principle of accountability begin by reformulating the regulation of funding sources from the state budget by adopting in-kind assistance, such as advertising prior to the general election to all parties participating in the general election.

Keywords: Regulatory Model, Finance, Political Party,

1. Introduction

Indonesia and other countries in the world have accepted that the existence of political parties is a marker of democratic life in a country, as said by Harold "the life of democratic state is built upon party system" (Harold J Laski, 1925). Harold's proposition has influenced international relations in particular for countries that associate themselves as democratic countries, where one of the tokens of membership for democratic countries is a policy that reflects the guarantee of the life of political parties (Abd Rahman Mazawi, 2017).

All understand that one of the symbols of the state that associates itself as a state adhering to the notion of democracy is marked by the guarantee of the life of a democratic political party. The 1998 reform was a milestone in the pendulum shift of the life of political parties in Indonesia by granting a central role to political parties through amendments to the 1945 Constitution of the Republic of Indonesia which is the highest norm in the norm system in Indonesia. Political parties that are not granted to other organizations are in the form of access to ballot papers for the general election of the People's Representative Council of the Republic of Indonesia, the Provincial People's Representative Council and the Regency/City Regional People's Representative Council (Article 22E of the 1945 Constitution of the Republic of Indonesia), in addition to granting rights as an organization that can carrying pairs of candidates in filling public positions in this case the President and Vice President (Article 6A of the 1945 Constitution of the Republic of Indonesia) (Sigit Pamungkas, 2011). It underlines the crucial role of political parties in democratic society, so that their presence is expected to be able to carry out multiple functions of political parties as specified by the political party law as a derivation of basic rules.

The above description leads us to the conclusion that financial access is essential to carry out the functions of political parties in order for them to reach voters and explain their aims and agendas (Sekar Agung Gading Pinilih, 2017). As a result, in a democracy, political parties' access to capital plays an important role in their power. Money, as proven in modern politics, plays an important role



in bridging political parties' communication with the public, implying that the greater political parties' access to finance, the more opportunities for them to gain legitimacy and maintain and expand their power through the transfer of power media (General Elections).

Political party finance is the scope of political finance in the global setting, a subject that is positioned as a key facet of democracy, governance, and development. In order to demonstrate the importance of money in modern politics and modern society, it is proposed that regardless of how perfect a country's elections are, how active civil society is, how competitive political parties are, and how responsible local governments are, the role of money cannot be denied. In influencing the quality of democracy and governance (Office of Democracy and Governance, 2003). Another hypothesis that explains why political parties are funded as part of political finance is based on a vast positive and negative feedback loop. According to the above description, legal confirmation as an instrument must play a role in sustaining the use of money, which is part of party law as the definition of party law states that all laws affecting political parties include regulation of political party finance (Fernando Casal-Bertoaa, Piccio, Daniela, Romee, Raskhova, and Ekaterina, 2012). As a result, the goal of this research is to determine the legal politics of political party finance in Indonesia in 1999, 2004, 2014, and 2019.

2. Literature Review

Understanding the scope of legal politics of political parties in Indonesia is the first step in examining the legal politics of political party finance in Indonesia. The search results reveal that professionals have differing opinions on how to regulate or define political party rules. According to Avnon, party law encompasses all laws governing political parties, including legal status, membership, money, organization, philosophy and programs, campaigns, demonstrations, and elections (Aliyu Mukhtar Katsina, 2014). Miller and Siebeber, like Avnon, define party law as a law that regulates a political party's organizational life or all laws that impact political parties. Parties, election and campaign legislation, parliamentary organization, party finance, other political activities (demonstrations), or general rules governing non-profit organizations (Richard S Katz dan William J Crotty, 2006). Party law, as defined by the Basic Law, the Election Law, the Campaign Law, the Party Finance Law, the Party Access Law to the Media, the Ormas Law, legislative decisions, administrative decisions, and judicial decisions, is the entire law that affects the life of political parties. (Fernando Casal-bertoa, Daniela Romée Piccio, dan Ekaterina R Rashkova, 2012).

The above arguments demonstrate that the control of political party funds falls under the purview of party legislation. Efforts to govern political party funding are admirable, but they must consider a variety of factors. As a result, before identifying the numerous policies issued by the Indonesian government, a theoretical and conceptual research of political party financing arrangements is conducted. The goal of establishing party legislation in a democratic society is to reformulate the democratic framework such that it is geared toward modern democracy practice. This is meant to assure the existence of political parties that are required in a democratic country, as well as the state's ability to govern parties if they pose a threat to the country's democracy (Lauri Karvonen, 2007). Furthermore, according to Katz, the construction of party rules reflects efforts to prevent the collapse of democracy as well as to build and regulate the development of democracy in countries that have never had prior experience with democratic governance (Richard S Katz, 2018).

Furthermore, Miller and Sieberer argue that ensuring the existence of political parties through legislation is a sort of fair appreciation for political parties that have constructed themselves as engines of the twentieth century political process and become the lifeblood of formal government institutions (André Kaiser et al., 2002). Furthermore, Miller and Sieberer argue that ensuring the existence of political parties through legislation is a sort of proper respect for political parties that have constructed themselves as engines of the twentieth-century political process and become the lifeblood of official government institutions. The constitution is referred to in the literature as the most unique component in the formation of political parties, as it embodies essential ideals and legitimizes political regulations through the specification of procedures that support the exercise of power (Fransje Molenaar, 2014). Barendt continued, "The constitution is a party law source because it contains many frameworks of functioning norms to prohibit totalitarian policies and ensure the rights of members."

This opinion is based on the findings of a study that looked at 142 (one hundred and forty-two) constitutions and found that only two-thirds of them have regulations on political parties (Kenneth Janda, 2005).

Putting together political party alliances is a difficult task. Complexity The Venice Commission describes the situation as a dilemma, in which the formation of regulations must protect political parties as a guarantee of the people's right to freedom of expression and association, while also paying attention to the important role of political parties in elections and government formation in order to form a fair and effective government (Vennice Commision, 2010). The implementation of political party regulation, in particular, can be separated into three phases: The first occurred in three countries at the turn of the twentieth century, namely: (Fernando Casal-bertoa, Piccio, Rashkova, and Ekaterina, 2012): Germany, Finland, and Austria are all members of the European Union. As a result of democratization, political party legislation was drafted in Austria in the twentieth century. Currently, political party regulation is primarily concerned with the regulation of political party funding. Second, the third wave of Huntington's democratization is generally associated with the structure of political parties in the second phase. Portugal and Spain are entering the second stage, during which political party composition shifted from a focus on financial management to a focus on party formation and activities as the new democratic environment began to emerge. The third period of adopting special arrangements for political parties is often characterized as the period following the conclusion of the war and the fall of communism in Eastern Europe in the early 1990s, which corresponded with the fourth wave of democracy. Amid this time, Hungary enacted a political party law in 1989, during a time of political transition.

Furthermore, Widow argued that the number of countries that updated their constitutions at the time influenced the composition of political parties, as seen by the inclusion of political party provisions in the constitution (Kenneth Janda, 2005). Countries with established democracies have a different attitude toward formal recognition of political parties, as stated by Miller and Sieberer, who believe that a comprehensive arrangement of political parties to recognize the role of political parties is not considered an urgent need in an established democracy (Richard S Katz dan William Crotty, 2009). The public-private divide will serve as the foundation for defining the extent to which the state and legislation govern political party operations, as well as what activities should be regulated. (Anika Gauja, 2011). Although the rhetoric of private organizations remains dominant, the empirical tendency is accepting the public utility model by acknowledging that parties fulfill public functions and are given particular obligations and privileges, according to Epstein (1986) and Biezen (2004), who are mentioned by Katz (Ingrid Van Biezen, 2004). The widow provides five methods for building political parties in regard to their organization (Kenneth Janda, 2006):

First, the prescription model is a regulatory-based paradigm that restricts the establishment of political parties by refusing to allow political parties to become legal entities rather than labeling them as unlawful or illegal. This is accomplished by not directly naming political parties in the constitution, but rather as a unique aspect of adopting the prescription model in one country.

Second, the permit model is a regulatory model whose rules do not directly control party membership, how parties are constituted, how party leaders are chosen, or how the organization is funded and financed.

Third, the promotion model is a regulatory scheme that encourages, promotes, and regulates further. Governments occasionally enact legislation that regulates not only party activities but also party formation. Election laws, which use a proportional representation electoral system in multi-member seats to produce many parties instead of simple plurality voting in single-member constituencies, are used to construct a regulatory model that promotes the existence and continuity of multiple parties.

Fourth, the protection model is one that guards against controversies and losses. Protection for a party to continue to exist as a party is the most extreme form of protection.

Fifth, the prescription model is a dictating and ordering model. Issuing directives to repair party errors based on laws that control party faults.

The protection of people's rights to freedom of association, speech, and opinion is essential for democracy to work in their daily lives. Political parties, as instruments that unify political will, must

be permitted to exercise their right to freedom of assembly and association, as outlined by the Venice Commission in the OSCE/ODIHR.

The Party Law's main goal is to decide who has the right to be recognized as a political party, to regulate the types of activities that political parties can engage in, and to govern the types of internal structure and political behavior that political parties can engage in (Richard S Katz, 2018). Political parties are, without a doubt, a collective platform for the expression of individuals' fundamental rights to association and expression, and they have been acknowledged as vital players in the democratic process by the European Court of Human Rights. Furthermore, they are the most extensively used means of political involvement and related rights exercise. Parties are the bedrock of a pluralist political culture, and they play an important role in keeping voters informed and engaged. Furthermore, parties frequently act as a link between the executive and legislative branches, and they can help a system of government prioritize its legislative agenda.

This study examines the legislation controlling political party funding in Indonesia during the general elections of 1999, 2004, 2009, and 2014. It is based on expert opinions. Both during and between election cycles, political parties require appropriate money to carry out their main functions. Political party funding refers to how a party funds its day-to-day operations as well as campaign funds, which are cash allocated by a party during the election process. To ensure a transparent and fair financing structure, both normal party money and campaign funds should be considered in regulations affecting political parties.

Political party funding procedures are critical for ensuring party independence from undue donor influence, ensuring opportunities for all parties to compete on the basis of equality of opportunity, and providing openness in political finance. Private contributions to political parties are also a form of political participation. As a result, laws should aim to strike a balance between encouraging moderate donations while also prohibiting excessive contributions. The concept of the state subsidizing political parties dates back to the early years of democratic administration, including the phenomenon of social democracy in Northern Europe during the 1950s and 1960s, often known as the emerging country period. It was thereafter extensively adopted across all continents, with liberal electoral norms.

Since Indonesia's reform phase began, various agreements have emerged that represent the country's efforts to secure the survival of political parties. The functions carried out to lead policymakers to confirm these efforts by formulating norms for each regulation or footing for the existence of political parties in the form of the right to access funding sources, constitutionally guarantees for the life of the party, reflect the way of thinking of experts about the important role of political parties. Political parties in Indonesia are required to carry pairs of candidates for President and Vice President under Article 6A, and to participate in general elections for the People's Representative Council, Provincial Regional People's Representative Council, and Regency/City Regional People's Representative Council under Article 22. Furthermore, various laws and regulations govern the existence of political parties, including their financial arrangements.

3. Research Method and Materials

This study is normative in nature, descriptive in nature, and employs a legislative and conceptual approach. The focus was on secondary data, which included both main and secondary legal sources. The data was qualitatively examined.

4. Results and Discussion

A. Politics of Law of Political Parties Finance in 1999

One of the agreements reached in 1999, the first year Indonesia began the reform phase, was to write a political party law. The study's findings demonstrate a commitment to ensuring political parties' survival through guaranteed access to political party funding, beginning with the requirement that political parties that have been recognized report the number of branches, members, and organizations that fall under their umbrella, as well as the wealth of political parties in terms of income and expenditure. Parties in politics. It is also stated that the President can carry out this clause by directing him to investigate political parties' administration, finances, and assets.

Furthermore, political party financial policies are controlled, including (a) sources of funding; (b) maximum amount; and (c) financial statements, in an effort to assist and supervise political parties. The right to acquire income for political parties comes from the state budget, member fees, contributions, and other legitimate companies. Funding from the state (State Revenue Expenditure Budget and Regional Revenue Expenditure Budget) is determined to be given to each political party based on the number of votes in the general election in connection with the determination of the amount or amount obtained by political parties from each political party's financial sources. The total contribution from each corporation and any other entity that can be received by a Political Party is a maximum of Rp. 150,000,000.00 (one hundred and fifty million rupiah) throughout one year, according to Article 13 paragraph (1).

This law allows political parties to receive aid in the form of products in addition to regulating the reception of money by political parties. The quantity of money donations is limited, while the amount of goods donations is limited by pricing the commodities at market value (Article 14 paragraph (3)). The law establishes limiting norms in terms of the source and amount of donations that political parties can receive by affirming the prohibition on political parties receiving assistance from foreign parties in any form, whether directly or indirectly, as well as the prohibition on forming a business entity and/or owning shares in an organization (Article 12 paragraph (4) and Article 13 (2)). The Supreme Court has the power to penalise political parties that break these rules by revoking their ability to vote in general elections through the judicial process (Article 18 paragraphs (1) and (2)).

The preceding description demonstrates that in 1999, political party financial regulation followed the prescription model identified in the formulations of norms that regulate or dictate the sources of revenue for political parties, but did not regulate or dictate the use of political party finances.

B. Politics of law of Political Parties Finance 2004

Similar to the previous election season, a legal politics of party financial regulation was established in the 2004 general election cycle, which was codified in Law Number 31 of 2002 (Moch Andry W W Mamonto, 2019). The determination of norms containing the financial sources of political parties, as reflected in the granting of the right to receive assistance/donations from: (a) member fees, (b) legal contributions according to law, and (c) assistance from the state budget, is the foundation of consensus on the financial arrangements of political parties. Financial sources from the state budget are distributed proportionally based on the number of seats obtained in the people's representative institutions; financial sources from donations can be in the form of money, goods, facilities, equipment, and/or services (Article 17 paragraph (3)), and are related to the amount of donations classified as sourced from members and non-members with a maximum value of Rp. 200,000,000 per year, and from companies/business entities with a maximum value of Rp. 800,00 per year.

This law imposes restrictions on political parties by confirming the prohibition on receiving and providing assistance to foreign parties in any form (goods or money) either directly or indirectly, accepting donations, either in the form of goods or money, from any party without stating a clear identity, accepting donations from individuals and/or companies/businesses without stating a clear identity, and accepting donations from individuals and/or companies/businesses without stating a clear identity.

Because the general idea of using public funds needs responsibility, one of the funding sources of political parties is public money, as seen in the above description. The establishment of norms governing the source and amount of donations has also served as the foundation for the development of norms requiring political parties to accept responsibility for the whole contribution received. The desire for political parties to be responsible for all sources of funding and the amount of funding is reflected in the norms that require keeping books of account, keeping a list of contributors and the amount of donations received, as well as being open to the public and the government, making periodic financial reports once a year, and having a special account for general election campaign funds with a financial balance sheet audited by a public accountant (Article 9 letters h, i, and j).

Furthermore, data identifying the source and quantity of donations received by political parties, as well as election campaign funds filed, must be disclosed to the General Elections Commission no later than 6 (six) months following voting day (Article 9 letters I, and j). The General Elections Commission may apply administrative sanctions in the form of an open warning on political parties who infringe

the standards containing the requirement to disclose accountability (Article 26 paragraph (3), Article 24 paragraph (1) letter b, and Article 26 paragraph (2)).

Efforts to increase the number of limits on political party acceptance above a predetermined limit are not limited to a few restrictions and political party monitoring. However, efforts are made to regulate it by passing regulations that include sanctions for persons and businesses who exceed the limits set out in Article 28 paragraphs (1), (2), (3), and (4). (4).

Starting with the delegation of authority norm, Government Regulation Number 29 of 2005 respecting Financial Assistance to Political Parties became the basis for the design of a regulation including a special rule incorporating financial derivative arrangements for political parties.

The regulation reaffirms that financial assistance to political parties is proportionally distributed based on the number of seats gained in the People's Representative Council as a result of the 2004 General Election, as adjusted for the State Revenue Expenditure Budget and Regional Revenue Expenditure Budget's capabilities (Article 3 paragraph (1)). For each seat, the amount of financial aid to political parties at the national level is fixed at Rp. 21,000,000. The amount of such aid can be altered every fiscal year by the Minister of Finance on the Minister of Home Affairs' recommendation (Article 4 paragraphs (1) and (2)).

Financial aid to political parties that win seats in the Provincial People's Representative Council does not exceed the amount of financial aid given to political parties at the national level, and financial aid to political parties that win seats in the Regency/City Regional People's Representative Council does not exceed the amount of financial aid given to political parties at the provincial level (Article 5 paragraphs (1) and (2)).

Furthermore, to obtain party financial assistance, the Central Executive Board of a political party or other valid designation submits a financial assistance application to the Minister of Home Affairs in writing, signed by the General Chair and Secretary General or other legal designations, and registered with the Department of Law and Human Rights. It must be accompanied with an endorsement document from the General Elections Commission throughout the submission procedure (Articles 7 paragraphs (1), (2), and (3)).

The Chair and Secretary of the Regional Leadership Council of political parties at the provincial level sign the application for financial assistance, which is accompanied by an endorsement document from the Provincial General Election Commission addressed to the Governor (Article 8 paragraphs (1) and (2)).

Similarly, at the Regency/City level, an application for financial assistance is submitted in writing and signed by the Chair and Secretary of a political party's Regional Leadership Council, as well as an endorsement document from the Regency/Municipal General Election Commission addressed to the Regent/Mayor.

The submission of financial help at each level follows the application process for financial aid. The Minister of Home Affairs or an official appointed to the general chairman and general treasurer delivers assistance to the central political party, the governor or an official appointed to the chairman and treasurer delivers assistance to a provincial level political party, and the regent or an official appointed to the chairman and treasurer delivers assistance to a regency/municipal level political party (Article 10).

All parties receiving financial help at the Central, Provincial, and Regency/City levels are expected to disclose the usage of financial aid assistance as accountability for the use of monies derived from the public through the State Revenue and Expenditure Budget. All reports are submitted after an audit to the Minister of Home Affairs at the central level, the Governor at the provincial level, and the Regent/Mayor at the regency/city level (Article 11 paragraphs (1), (2), and (3)). (3).

The preceding description demonstrates that in 2004, political party financial regulation followed the prescription model, as indicated in the formulations of rules that govern or dictate the sources of money for political parties, but did not regulate or dictate the use of political party funds.

C. Politics of Law of Political Parties Finance in 2009

In the 2009 general election for political parties, the state made financial arrangements for political parties based on changes in the direction of legal politics by ratifying Law Number 2 of 2008 Concerning Political Parties, which required financial arrangements for political parties to be preceded by one of the following: Article 2 paragraph (1), paragraph (2), paragraph (3), and paragraph (4) state

that in order to establish a political party, it must meet the following standards, which include the party's funds. In terms of legal politics, political parties are simplified through financial arrangements that limit financial sources such as member fees, other legitimate sources, and financial assistance from the State Revenue and Expenditure Budget Areas, which are distributed proportionally based on the number of votes cast (Article 34).

Furthermore, the Articles of Association and Bylaws offer political parties the right to control the policy of regulating political parties to simplify political party financial arrangements connected to its execution. Individual donations from people who are not members of political parties are limited to one billion rupiah per year, whereas contributions from companies and corporate entities are limited to four billion rupiahs per year. Provisions are regulated in the form of prohibitions for political parties to accept and make donations to foreign parties, from parties whose identity is unknown, accept donations exceeding a predetermined limit, and accept donations from State-Owned Enterprises/Owned Enterprises to regulate the activities of funding sources for political parties. Regions, using fractions as a financial source (paragraph 3 of Article 40). Political parties are also barred from forming a corporate entity or owning shares in a business entity, according to the law.

Financial assistance is money from the State Revenue and Expenditure Budget/Regional Revenue and Expenditure Budget that is distributed proportionally to political parties that win seats in the People's Representative Council, provincial Regional People's Representative Council, and regency/municipal Regional People's Representative Council based on the number of votes cast.

The Government/regional government yearly provides financial aid to political parties from the State Budget/Regional Revenue and Expenditure Budget (Article 2 paragraph (1)). Calculation of the amount of financial aid from the State Belanka Revenue Budget for the previous fiscal year divided by the number of votes obtained from the results of the House of Representatives Election for Political Parties that obtained seats in the previous period (Article 5 paragraph (1) and (2)). The amount of financial assistance from the Regional Revenue and Expenditure Budget for the previous fiscal year divided by the number of votes acquired from the Regional People's Representative Council Election for Political Parties that get a seat in the previous period (A) is used to calculate the value of the assistance per vote from the results of the Provincial and Regency/City Regional People's Representative Council Elections.

The amount of financial assistance to Political Parties from the State Revenue Expenditure Budget/Regional Revenue and Expenditure Budget in the fiscal year in terms of the value of assistance per vote of the results of the People's Representative Council Election, provincial Regional People's Representative Council Election, and Regency/Municipal Regional People's Legislative Council Election multiplied by the total gain votes from the election results for the People's Representative Council

To obtain financial assistance from the state budget for a political party, the procedure requires the political party management to submit a written request to the government/regional government to channel financial assistance funds to the political party's general treasury account (Article 6 paragraph (1)). The purpose of financial assistance to political parties is to provide funding to support political education and the secretariat's operational duties (Article 9). For this assistance, political parties must maintain bookkeeping and evidence of financial aid receipts and disbursements, and the data will be used to compile accountability reports to the government on a regular basis once a year after being audited by the State Audit Board no later than 1 (one) year after being audited by the Supreme Audit Agency, Any political party that violates the bookkeeping and reporting obligations may face administrative sanctions in the form of financial assistance from the State Revenue Expenditure Budget/Regional Expenditure Budget until the report is received by the Government in the fiscal year (Article 12 paragraphs (1) and (2), Article 13, Article 14 paragraph (2), and Article 15).

The preceding description demonstrates that in 2009, political party financial regulation followed the prescription model indicated in the formulations of norms that regulate or dictate the sources of money for political parties, but did not yet regulate or dictate the use of political party funds.

D. Politics of Law of Political Parties Finance in 2014

Law No. 2 of 2011 concerning Amendments to Law No. 2 of 2008 Concerning Political Parties states that political will will be reflected in the funding of political parties during the 2019 general

election cycle. All rights and liabilities of political parties that may be assessed by money, in the form of money or goods, as well as all types of wealth owned and become the responsibility of the Political Party, are referred to as the Political Party's finances.

Political party financial arrangements were opened with the requirement that political party organizations be constituted as legal entities by the Ministry of Law and Human Rights, which was similar to the consensus on political finance arrangements during the 2009 general election season. Article 3 paragraph (2) requires political parties to incorporate financial matters in the form of an obligation to include an account in the name of a political party and in the articles of association. In addition, the legal politics of political party financial regulation is regulated through the determination of political party financial sources, which include (a) member fees; (b) legal donations; and (c) financial assistance from the State Revenue and Expenditure Budget/Regional Revenue and Expenditure Budget (Article 34 paragraph (1)).

As a result of the previous description, an attempt was made to limit the sources of funding for political parties. The supervisory policy is carried out through the obligation to submit accountability reports for revenues and expenditures sourced from the State Revenue Expenditure Budget and Regional Revenue and Expenditure Budget assistance funds to the State Audit Board on a regular basis, as provided for in the policy of financial regulation of political parties. 1 (one) year to be audited no later than 1 (one) month after the fiscal year ends (paragraph (1) of Article 34A). Meanwhile, political parties who violate this ban will face administrative fines such as the cessation of State Revenue and Expenditure Budget/Expenditure Budget and Regional Assistance funding until the report is received by the Government in the fiscal year in question. Because the general idea of using public funds needs responsibility, one of the funding sources of political parties is public money, as seen in the above description. The establishment of norms governing the source and amount of donations has also served as the foundation for the development of norms requiring political parties to accept responsibility for the whole contribution received. The goal for political parties to be accountable for all sources of funding and the quantity of funding is represented in the rule that compels political parties to keep track of all contributions and their amounts, with the data open to audit by public accountants (Article 13 paragraph (4)).

Furthermore, the Supreme Court of the Republic of Indonesia must collect data containing the source and quantity of funds received by political parties at the end of each year, as well as every fifteen days before and thirty days after the general election. (1) and (2) of 15 paragraphs. The Court may impose administrative sanctions in the form of the withdrawal of aid sourced from the state budget (Article 18 paragraph (1)) on political parties that violate the standards embodying the requirement to disclose accountability.

Efforts to increase the number of limits on political party acceptance above a predetermined limit are not limited to a few restrictions and political party monitoring. However, efforts are made to regulate it by passing regulations that include sanctions for persons and businesses who violate the prescribed limitations (Article 19 paragraphs (1), (2), (3), and (4)). According to the preceding description, the finance arrangements for political parties during the 2009 general election season followed the political party financing model used in other countries, namely public and private fundraising sources. However, it only accepts government budget financing in the form of financial aid, but in some other nations, public funding comes in two forms: government budget financing in the form of public subsidies and non-financial resources (in-kind) Tax exemptions, free access to public media, free access to public areas for campaign activities or meetings, free access to public spaces to post campaign materials, free or subsidized transportation, and free or subsidized postage are all examples of indirect public financing (Fernando Casal Bertoa, Kevin Deegan-Karuse and Peter Ucen, 2014).

Although rules and regulations give access to private funding sources, it is extremely limited, as evidenced by the review of the prohibition on political parties obtaining aid from foreign parties and political parties' investments (Joel W Johnson, 2008). A proportional model is used to access public funding, in which the total amount given is allocated to each political party in proportion to the number of votes or seats obtained (typically only) in legislative elections (Alejandro Poire, 2006). This also confirms that cash will be distributed after the general election, as opposed to Mozambique, where funding is done prior to the election based on the number of candidates who have applied (Alejandro Poire, 2006).

All laws governing political party finances have regulated entities charged with the responsibility to supervise the implementation of the prescribed norms, in addition to regulating the sources and amounts of political party finances. In Indonesia, there has been a change from the general election seasons of 1999, 2004, 2009, and 2014. The supervisory function is entrusted to public authorities that have the legal ability to enforce the law and inflict sanctions on violators, as in general regulations.

A crucial component of any political finance regime is that the existence of institutions entrusted with the capacity to enforce the laws is designed to encourage openness. Information on where political parties and politicians acquire their money and how they spend it reveals potentially muddy waters that can stimulate growth. Suspicion is raised, and corrupt transactions are obscured. Unfortunately, since 1999, 2004, 2009, and 2014, the statutory level arrangements have simply regulated the duty to complete accountability reports without providing adequate information provided in a way that allows effective oversight and compliance inspections. According to the preceding definition, political party financial regulation in 2014 followed the prescription model defined in the formulations of rules that regulate or dictate sources of funding for political parties, but did not regulate or dictate the use of political party resources.

5. Conclusion

Since the beginning of the reformation period in the general elections of 1999, 2004, 2009, and 2019, the financial regulation of political parties in Indonesia has followed a prescription model, which is a regulatory model that issues orders and dictates the sources of revenue for political parties but does not regulate or dictate the use of political party funds. Efforts to maximize political parties' financial arrangements in order to ensure their independence and strengthen the principle of accountability begin by reformulating the regulation of funding sources from the state budget by adopting in-kind assistance, such as advertising prior to the general election to all parties participating in the general election.

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