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## Money Politics in a Democratic Political System:

A Case study of South Korea and European Countries

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**Abstract:** The issue of money politics in Indonesia has severely undermined democratic integrity, affecting equality in political participation, increasing the risk of corruption, creating disparities in political access, influencing public policy-making, and damaging public perceptions of the political system's credibility. This study aimed to explore how other countries address the challenges of money politics and offered concrete solutions to strengthen democratic integrity. Using a comparative approach, the study examined money politics policies and practices, as well as assessed the effectiveness of anti-corruption and transparency measures in South Korea and Europe. The findings revealed that strict regulations on campaign financing and oversight by independent bodies have effectively mitigated money politics practices in these countries. Consequently, Indonesia is encouraged to adopt a similar approach by establishing an independent oversight body and fostering active public participation to address the challenges of money politics and high political costs, promote equitable political participation, and strengthen democratic integrity.

### About the Author(s)

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## I. Introduction

This study addressed a gap in the existing literature by offering an in-depth comparative analysis of money politics within democratic political systems, specifically focusing on South Korea and European countries. While most research has concentrated on individual case studies, this study emphasized cross-country comparative analysis. Toplak & Smilov (2013) have underscored the significance of regulation and oversight in mitigating money politics, few have directly compared differing political contexts, such as those in South Korea and various European countries.

The political culture in South Korea, characterized by strong ties to patronage and nepotism, contrasts sharply with the longer-established institutional democracies of Europe. Studies by Johnson (1986) and Haggard (1995) have noted that these cultural differences significantly influence the prevalence of corruption and money politics, necessitating distinct regulatory approaches (Kang, 2002; Lim, 2023).

This gap underscores the need for a more comprehensive comparative study that explores differences in anti-corruption policies and considers the role of political culture in influencing the effectiveness of these policies. By combining policy analysis and cultural context, this study provides valuable insights for developing more effective and context-specific strategies to address money politics practices in Indonesia (Geopolitics, 2022).

This study employed an innovative and more in-depth approach by leveraging the latest empirical data from diverse sources to offer a comprehensive understanding of the influence of money politics on democratic processes across different regions. It analyzed the impact of money politics and examined how political culture and regulations in each country shape these practices. This analysis builds on previous studies that highlight the correlation between the prevalence of money politics and the high costs associated with political participation, which often contribute to inequalities in the democratic process, particularly in Indonesia (Qeis, 2020, p. 60). Through comparative analysis, this study

aims to identify the negative impacts of money politics and high political costs on democratic integrity while offering recommendations to prevent conflicts of interest within a fairer and more transparent political system.

While several studies have explored the effects of money politics on democracy, few have provided a cross-country comparative analysis that accounts for political culture and regulatory variables. For instance, Alexander (2019), examined political financing across various democracies, but it focused primarily on national financing systems rather than cross-country comparisons that consider political culture. Similarly, Moser & Scheiner, (2012) in *Electoral Systems and Political Context: How the Effects of Rules Vary Across New and Established Democracies* discussed the influence of electoral systems on political behavior but it did not specifically link these systems to money politics in a cross-country context. Conversely, Hunter & Sugiyama, (2009), in their article *Democracy and Money: Lessons from Brazil*, analyzed the impact of money politics in Brazil but restricted their analysis to the national context without extending the comparison to other countries with differing political and regulatory cultures.

This study sought to fill the gap by comparing the Indonesian case with other countries that exhibit different political and regulatory dynamics, such as South Korea and several European countries. It is anticipated that this research will make a significant contribution to the literature on money politics and democracy regulation. By drawing on previously established approaches and extending them through the use of recent data and comparative contexts, this study aims to offer richer and more globally relevant insights. This approach addresses the need for a deeper understanding of how money politics can be controlled through effective regulation and adaptation to local political cultures, ultimately enhancing the quality of democracy in diverse countries.

The concept of money politics is employed to investigate its detrimental impact on democratic integrity (Ghaliya & Sjafrina, 2019, p. 28). This study focused on the detrimental impact of money politics on the integrity of democratic processes. Money politics, which entails the exchange of

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money or favors to sway electoral outcomes, fundamentally threatens the core democratic principles of fair participation, transparency, and accountability. When such practices taint the democratic process, the legitimacy of representation according to the people's will is questionable. Additionally, money politics erodes public trust in political institutions and can transform politics into a domain accessible only to the financially privileged, thereby marginalizing economically disadvantaged groups. Hence, a comprehensive understanding of the negative impact of money politics is essential to preserving the integrity and foundational principles of a healthy democracy.

The theory of high-cost politics (Boix, 2003) offers a framework for understanding the challenges faced by democratic systems, particularly concerning the influence of political elites with substantial financial resources (Nurhasim, 2020, p. 62). According to this theory, the financial power possessed by political elites can create disparities in access to policies and political processes, thus threatening the basic principles of democracy that should prioritize equal participation. Political elites who can finance campaigns and dominate media coverage hold a significant advantage, which can diminish genuine representation within the political process.

Scholarly perspectives such as those presented by Schattschneider (1975) support this view, arguing that while democracy is meant to be the rule of the people, it frequently becomes the rule of the financially powerful few. This suggests that democratic systems are susceptible to control by individuals or groups with substantial financial resources, enabling them to shape political agendas and influence public policy.

This study employed the concept of democratic political systems to examine the dynamics of political participation and voter representation in countries facing diverse challenges. Case studies of South Korea and several developed countries offer relevant global perspectives on the influence of money politics and political costs. South Korea was selected due to its significant history of political reform and experience in addressing money politics, while developed countries such as the United States and several European nations provide insights

into how democracy can be affected by high political costs. The relevance to Indonesia lies in adapting effective practices from these countries to enhance democratic integrity in the face of challenges posed by money politics and the high cost of political participation.

Money politics has long been a subject of academic inquiry in democratic systems, defined as using financial incentives to sway political decisions, including elections and public policy processes. This practice erodes public trust in political institutions and risks turning politics into an arena dominated by the financially privileged. According to a study by Winters (2013), money politics reinforces political oligarchies and exacerbates inequalities in political access, granting those with substantial financial resources disproportionate influence over political decisions. These findings align with a study by Hellman et al., (2000) which shows that in countries with high levels of political corruption such as South Korea the political processes and policymaking are often controlled by the economic elites. Consequently, this limits political participation among economically disadvantaged groups, undermining the democratic principles of equal access and representation.

Therefore, understanding the destructive impact of money politics is essential to support stronger accountability mechanisms in political systems. In South Korea, money politics often takes the form of illegal campaign contributions or financial inducements by politicians to sway election outcomes. This practice involves both individuals or political parties seeking direct benefits and large corporations aiming to secure favorable government policies. The close interplay between money and politics in South Korea has fostered a political landscape where decisions are often swayed by those with the most financial resources, rather than the broader public interest.

Johnston (2005) emphasizes that rapidly growing economies, such as South Korea, encounter significant challenges in separating economic and political power. In the context of elections, this practice results in unfair advantages for candidates with greater access to funding, which ultimately compromises the integrity of the democratic process. This issue was notably highlighted in the Park Geun-hye

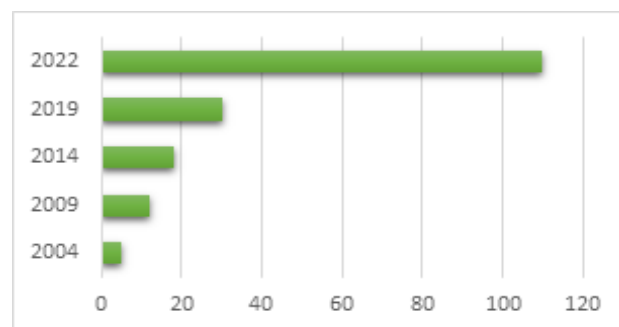
scandal, where the use of illicit political funds influenced government policies and precipitated a major political crisis. In Europe, despite stringent regulations, countries such as Italy and Spain still grapple with substantial issues related to money politics. In Italy, political corruption remains prevalent, with high-profile cases involving political parties and public officials. Anggoro et al., (2022) highlights that despite significant reform efforts, money politics continues to persist. Transparency International further reports high levels of political corruption in both Italy and Spain (Nilsson-Wright, 2022, p. 18).

Similarly, in Indonesia, money politics continues to pose a serious challenge, particularly during local and national elections. A notable example was the 2017 DKI Jakarta Regional Election, where certain candidates allegedly used substantial financial resources to buy votes and sway the election results (Suryani & Tahir, 2024, p. 4).

Money politics erodes public trust in political institutions and creates a political landscape dominated by those with financial power, excluding economically disadvantaged groups from meaningful participation. Winters & Page (2009) indicated that in political systems where money politics thrives, economic elites tend to dominate political processes, exacerbating inequalities and undermining the principles of inclusive democracy. The study of money politics is, therefore, crucial in understanding its detrimental impact on democratic integrity and in supporting efforts to enhance accountability mechanisms within political systems. Aspinall and Sukmajati (2016), in *Electoral Dynamics in Indonesia: Money Politics, Patronage, and Clientelism at the Grassroots level*, revealed that in Indonesia, strategies such as money politics, patronage, and clientelism are frequently employed in elections, fostering voter dependency on candidates offering financial incentives.

This study addressed the impact of money politics on democratic integrity in South Korea and European political systems. It focused on the challenge posed by high political costs, which impede fair political participation and heighten the risk of corruption in political finance. Additionally, this study explored the measures adopted by these countries to reduce political

parties' dependence on external contributions and enhance transparency in political funding (Ibad, 2018, p. 112).



Source: Ahdia, 2024

**Figure 1.** Comparison of Election Budgets (2004–2022)

Table 1 shows a comparison of election budgets from 2004 to 2022, reflecting the total costs allocated by the Indonesian government for the administration of general elections. This budget encompasses all operational expenses incurred by election-related bodies, including the General Election Commission (KPU), the Election Supervisory Agency (Bawaslu), and other relevant institutions. The significant budget increase in 2022 was attributed to various factors, including inflation, a higher voter turnout, advancements in election technology, and the growing need for transparent, money-politics-free elections. This data underscores the rising costs of election administration over time, posing further challenges to ensuring fair political participation and mitigating the influence of financial power.

This study identified key issues arising from money politics and high political costs, including disparities in political participation and an elevated risk of corruption. It also highlighted a potential solution: the provision of structured financial support to political parties by the state. Imansyah (2012, p.94) asserted that this support is intended not only to reduce reliance on external funding—which often facilitates money politics—but also to prevent conflicts of interest that could compromise the integrity of the political process. By offering targeted financial assistance, the state can foster a healthier, fairer political environment and encourage more equitable participation across all social strata. In this context, the study further highlighted the need for robust accountability and transparency mechanisms to

ensure that state-provided financial support is used appropriately and to prevent the misuse of public funds in political activities. Therefore, this study could provide an important contribution to the discussion on reforming Indonesia's political funding system, drawing on best practices from other countries such as South Korea and some European countries that have successfully implemented similar policies. This study seeks to enhance the understanding of how money politics and high political costs undermine the integrity of democratic political systems, with a focus on Indonesia (Ghaliya & Sjafrina, 2019, p. 144). The Indonesian context was chosen due to its significant challenges related to money politics, particularly during elections, which pose serious risks to the democratic process. By drawing comparisons with South Korea and several developed countries, this study aimed to explore the intricate relationships between money politics, political costs, and their implications for fairness and transparency in the political processes. The urgency of this study stems from the need to identify the factors that perpetuate money politics and develop more effective policies to safeguard democracy in Indonesia.

## II. Methods

The study utilized a qualitative approach incorporating in-depth comparative analysis to investigate variations in the practice of money politics and political cost management in democratic political systems. Data were sourced from a range of academic literature, research reports, and official documents focused on money politics, democratic political systems, and political costs in Indonesia, South Korea, and select European countries such as Germany and the UK. The European cases were deliberately chosen due to their well-established institutional democracies and stringent anti-corruption regulations, presenting a stark contrast to the challenges faced by Indonesia and South Korea.

Employing comparative analysis was crucial in unveiling differences and commonalities in preventing money politics and promoting transparency across diverse countries. This method also yielded valuable insights into how cultural and structural factors influence the efficacy of these policies. By scrutinizing diverse

approaches and outcomes, the study offers deeper insights into potential strategies for mitigating money politics and enhancing transparency in different political contexts. This comparative analysis aimed to broaden understanding and facilitate robust generalizations concerning the mitigation of money politics in democratic systems. South Korea was selected as a case study due to its success in addressing political costs and money politics, as exhaustively documented in numerous studies. You (2014) showed that South Korea has successfully implemented strict regulations and effective oversight to reduce the influence of money in politics. It also highlighted the establishment of a more transparent political funding system in South Korea, contributing to a decrease in political corruption.

Additionally, the study analyzed the efforts of European countries, such as Italy and Spain, to strengthen integrity in political practices despite facing significant challenges related to money politics. Anggoro et al., (2022) highlighted the ongoing issue of money politics threatening the integrity of democracy in Italy and Spain despite legal reforms to mitigate corruption. Winters, (2013) also underscored the challenges faced by Italy and Spain in upholding transparency and accountability in political funding. Through a comparative analysis of South Korea, Italy, and Spain, the study identified best practices and acknowledged the complexities in tackling money politics across different countries. This comparative dimension provides deeper insights into how political and cultural contexts affect the effectiveness of policies in maintaining democratic integrity.

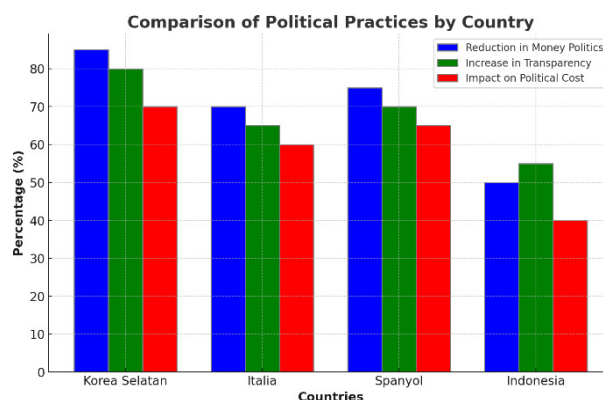


Figure 2. Comparison of Political Practices by Country

A comparative analysis was conducted by selecting case studies from different political contexts. The selection criteria focused on the degree of success in reducing money politics, increasing political transparency, and the influence on political costs. The selected case studies were South Korea—recognized for its success story—and several European countries that have strengthened integrity in political practices. Data was collected through a detailed review of scholarly literature, research reports, and official documents related to money politics practices. The selection of these sources was based on the reliability and relevance of the information they present in understanding the context of politics, democracy, and political costs. Data from these sources was collected using a systematic technique that included a selection process based on relevance to the topic of the study. Analysis was conducted by comparing the findings from the different case studies, identifying common patterns, differences, and implications for the political system and political costs.

This study did not involve informants or respondents directly as it was based on secondary data analysis. The selection of data sources was based on the expertise and credibility of the author or institution presenting the information. South Korea and several European countries were selected as case studies for their success in addressing the challenges of political costs and money politics, as well as in enhancing political transparency. Their experiences provide valuable insights for other countries facing similar issues. The study was conducted over a three-month period, from October to December 2023. Data from 1995 to 2020 were collected to identify significant measures taken to address money politics and enhance political transparency in South Korea and European countries.

The study was conducted systematically, starting with identifying representative case studies from different political contexts, such as South Korea, Italy, Spain, and Indonesia. To ensure that comparisons are made apple to apple, the selection of these countries was based on clear criteria, including similarities in the challenges of money politics and the efforts made to address them. Furthermore, data was carefully collected from various reliable sources, such as reports from Transparency International, peer-reviewed

academic studies, and official data from relevant government agencies.

The comparative technique used in this research was the Most Different Systems Design (MDS), which allowed for an in-depth analysis of how different factors (such as political culture and regulatory frameworks) affected the effectiveness of policies in reducing money politics. Data validation was conducted through triangulation, where information obtained from one source was compared with data from other sources to ensure consistency and accuracy. The methodology involved a detailed review of academic literature, research reports, and official documents related to money politics practices based on the reliability and relevance of the information presented in understanding the context of politics, democracy, and political costs. The findings of this study are expected to provide deeper insights into the effectiveness of measures implemented by South Korea and several European countries in addressing money politics and promoting political transparency.

### III. Results and Discussion

#### A. Enforcement of Laws and Challenges in Addressing Money Politics in South Korea

Since gaining independence in 1948, South Korea has experienced a significant rise in corrupt practices. Numerous prominent individuals, including former presidents, presidential staff, military officers, politicians, bureaucrats, bankers, businessmen, and tax officials, have been implicated in corruption scandals (Johnston, 2005, p. 112). For instance, the 2016 scandal involving President Park Geun-hye highlighted how money politics can be exploited for political and personal gain, ultimately leading to her impeachment.

While South Korea has implemented robust legal frameworks, such as the repeatedly revised Election Act aimed at tightening regulations on campaign donations and financial reporting (Fikri et al., 2022, p. 43), these efforts have fallen short in resolving persistent issues such as economic inequality, intense political competition, and weaknesses in oversight mechanisms, which create vulnerability to money politics practices (Park, 1995, p. 210).

Key challenges faced by law enforcement authorities include resource limitations, corruption within the legal system, and difficulties in collecting sufficient evidence for prosecution (Syahrudin, 2021, p. 56). The National Election Commission (NEC) and the Anti-Corruption and Civil Rights Commission (ACRC) have pivotal roles in overcoming these obstacles. The NEC's efforts to enhance staff capacity and expand its oversight functions during election campaigns represent critical strategies that require further reinforcement (Shin & Kwon, 2022, p. 88).

### **B. Oversight Mechanisms and Transparency in European Countries**

European countries have adopted various approaches to mitigate money politics, focusing on stringent oversight and enhanced transparency. "For instance, Italy and Spain have implemented robust internal oversight and control mechanisms, mandating that political parties manage and audit their financial accounts. Independent bodies, such as electoral commissions, play a critical role in ensuring effective enforcement of these regulations (Han et al., 2023, p. 222).

Despite Italy's stringent regulations, it remains challenged by high levels of political corruption. Transparency International reports ongoing challenges in addressing these issues despite numerous reform initiatives (Guter-Sandu, 2020, p. 171). Collaboration between nations and the adoption of best practices at the European level is essential in effectively addressing money politics. Upholding integrity in electoral processes and political systems remains a primary concern across European countries, with strict oversight mechanisms and a commitment to transparency as the focus of these efforts (Guter-Sandu, 2020, p. 156).

### **C. Impacts and Challenges of High Political Costs in Indonesia**

In Indonesia, the high cost of politics presents a serious concern, with political candidates often pressured to raise substantial campaign funds, heightening the risks of corruption and dependence on vested interest groups. The 2017 Jakarta election serves as a prominent example of the extensive use of money politics to sway voters (Suryani & Tahir, 2024, p. 27).

Although Indonesia has revised its Election Law multiple times to strengthen regulations on campaign contributions and financial reporting (Fikri et al., 2022, p. 54), significant challenges in law enforcement persist, including corruption within the legal system and difficulties in obtaining sufficient evidence. While some scholarly works downplay the significance of money politics in Korea, arguing that the country's focus has been on export-oriented industrialization (Kang, 2002a, p. 90), South Korea has nonetheless made concerted efforts to develop and enforce robust legal frameworks to address these practices (Han et al., 2023, p. 113).

This includes repeated revisions to the Election Law tightening regulations on campaign contributions and financial reporting (Fikri et al., 2022, p. 54) and the Political Parties Law, which governs political party and campaign financing. The institutions responsible for overseeing and enforcing laws related to money politics are the National Election Commission (NEC) and the Anti-Corruption and Human Rights Commission (ACRC). The NEC ensures that political parties and candidates comply with campaign regulations, while the ACRC investigates and prosecutes political corruption cases (Go, 2017, p. 45).

The NEC ensures that political parties and candidates comply with campaign regulations, while the ACRC investigates and prosecutes political corruption cases (Syahrudin, 2021, p. 56). The NEC struggles with resource constraints in managing campaign violation cases (Şener, 2020, p. 22). Moreover, corruption within the South Korean legal system has become a significant issue, potentially undermining the ability of law enforcement authorities to effectively combat money politics. Law enforcement also frequently encounters challenges in gathering sufficient evidence to prosecute offenders, further complicating efforts to address these violations (Oxford Analytica, 2019, p. 213). This situation stems from a lack of transparency in the political and financial systems, compounded by widespread corrupt practices involving multiple parties (Elliott, 1999, p. 250).

Over the past few decades, corruption and money politics have remained significant concerns in South Korea, with high-profile scandals involving former presidents Park Geun-

hye, Choi Soon-sil, Lee Myung-bak, and Roh Moo-hyun (Choi & Woo, 2012, p. 120). While some offenders have been prosecuted and penalized, others have evaded serious consequences or received lenient sentences (Chun, 2009, p. 93). These scandals have profoundly impacted the public perception of South Korea's political and legal institutions, fueling widespread protests and calls for political reform and anti-corruption measure (mediaindonesia.com, 2018).

South Korea has implemented various measures to combat corruption and money politics, such as establishing the Anti-Corruption and Human Rights Commission (ACRC) in 2008 and passing the Corruption Prevention Act in 2016 (Elliott, 1999, p. 258). These efforts have helped promote transparency and accountability, particularly in public financial management and elections (Şener, 2020, p. 54).

Despite these initiatives, challenges remain, including weaknesses in monitoring and enforcement mechanisms, as well as limitations in access to information and public involvement (Lee, 2018, p. 342). To overcome these challenges, concrete steps include enhancing transparency and accountability, strengthening monitoring and enforcement mechanisms, and increasing public participation in anti-corruption efforts, with the National Election Commission (NEC) playing a central role (Mobutu, 2021, p. 45).

To further its capacity to address money politics, the NEC is actively working to enhance the expertise of its staff, particularly in electoral law and election management (Ufen & Mietzner, 2015, p. 53), demonstrating a commitment to improving its ability to address issues related to money politics. The ongoing efforts to deepen the understanding of money politics reflect a strong commitment to promoting integrity and transparency in political participation.

In expanding its role in overseeing election campaigns, the NEC has increased its budget and personnel, ensuring sufficient resources to effectively monitor the election process (Lee, 2018, p. 346). This approach strengthens oversight and helps prevent violations, as robust supervision fosters a transparent and accountable environment.

Moreover, the NEC has tightened regulations on campaign donations to minimize opportunities for money politics, demonstrating a clear commitment to reducing financial influence on the political process and ensuring fair and transparent elections (Jeong, 2010, p. 66). However, despite these initiatives, the issue of money politics continues to persist. This ongoing issue threatens democratic integrity, with challenges remaining in identifying and addressing violations at both local and national levels (Kang, 2002a, p. 93).

Concrete measures to combat money politics in South Korea include strengthening the NEC's authority through expanding its role, increasing its budget, and enforcing stricter regulations. These actions demonstrate a commitment to safeguarding democratic processes. While not fully resolving the issue, they provide valuable lessons for other nations facing similar challenges.

#### **D. Oversight Mechanisms and Transparency in European Countries**

In Europe, addressing money politics has become a central focus for maintaining electoral integrity and transparency of their political system (Jeong, 2010, p. 68). Several European countries have adopted strategies focused on strengthening oversight mechanisms and increasing transparency (Guter-Sandu, 2020, p. 301). A key approach mandates that political parties establish internal controls and oversight by managing and monitoring their financial records. Ensuring the accuracy and transparency of these records allows countries to create a robust framework aimed at limiting the influence of money politics (Elliott, 1999, p. 93).

European countries have promoted the disclosure of financial data related to political parties and candidates, resulting in increased transparency regarding political income and expenditures. This transparency enables the public and voters to easily access and analyze financial flows (Norris & Grömping, 2017, p. 461), playing a crucial role in curbing illicit money politics.

By increasing the accessibility of financial information for political parties and candidates, these countries promote transparency and strengthen the integrity of democratic processes. The open access allows the public to monitor and assess the political parties' and candidates'



compliance with ethical and legal standards more effectively. Such measures enhance public awareness of the resources political parties receive and spend, while also laying the groundwork for implementing stricter anti-corruption regulations (Alt & Lassen, 2006, p. 70). Financial transparency, therefore, serves as a cornerstone in upholding the integrity of the political system and ensuring that political representation genuinely reflects the will and interests of the people.

Countries such as the UK, Latvia, Lithuania, and Estonia have facilitated transparency in political finance by making financial information readily accessible online (Bertoa & Teruel, 2017, p. 83). This availability allows the public, journalists, and researchers to monitor political finance activities in real time, promoting greater transparency and accountability. In several European countries, independent oversight bodies, such as Latvia's Corruption Prevention and Combating Bureau (KNAB) and the UK's Electoral Commission, are empowered to investigate and sanction violations of campaign finance regulations (Gelzis, 2018, p. 117). The presence of such oversight bodies compels political parties to comply with legal requirements, contributing to the prevention of unauthorized financial influence in the political process.

These regulatory measures and enhanced transparency play a crucial role in combating money politics. They curb the undue influence of financial resources on political processes, preserve the integrity of elections, and foster public confidence in both the political and electoral systems (Zietlow, 2007, p. 287). Regulatory measures and enhanced transparency significantly contribute to increasing the accountability of public officials. With clear regulations and transparent mechanisms in place, public officials are compelled to take greater responsibility for their actions and decisions. This not only fosters a cleaner, more honest political environment but also acts as a catalyst for improving the quality of public services (Pina et al., 2007, p. 54).

Concerning the various approaches adopted by European countries to address money politics and the high costs of political campaigns, regulatory measures and increased transparency have proven effective in increasing

the accountability of public officials (Radaelli & De Francesco, 2013, p. 377). Empirical evidence such as increased compliance with political finance regulations, reduced corruption cases, and survey data indicating increased public trust in government institutions (Transparency International, 2021), underscores the positive outcomes of these efforts. The results extend beyond the sustainability of electoral integrity, contributing significantly to the improvement of public services and fostering a more transparent and accountable system for society. The European strategies offer a strong foundation that other countries can adopt to foster a more sustainable political order.

European countries have adopted various strategies to address the challenges of money politics and high political costs. By implementing stricter monitoring mechanisms, ensuring transparency in financial reporting, providing online access to political finance information, and establishing or reinforcing independent oversight bodies, these countries have made significant progress in creating a more transparent and accountable political environment. Consequently, these efforts play a crucial role in safeguarding the integrity of the democratic process and mitigating the harmful effects of money politics.

### **E. Impacts and Challenges of Money Politics and Political Costs in Indonesia**

The practice of money politics, a form of electoral and political corruption, has become a global concern. Several countries, including South Korea and various European nations, have taken significant steps to address this issue through stricter regulations and enhanced transparency.

In Indonesia, the high cost of politics has emerged as a critical issue (Mulyaningsih, 2018, p. 21). It is crucial to recognize that money politics undermines the fundamental principles of democracy and fairness in elections. When candidates or political parties resort to using financial resources to sway or even buy votes, the integrity of the entire political system is compromised.

Elections should serve as platforms for reflecting the people's will and fostering political discourse and diverse visions. Money politics, in contrast, diverts attention from substantive

political issues to financial power, ultimately harming society. South Korea and several European countries have shown that strict regulation and transparency are effective in restoring the integrity of the political process.

The consequences of money politics extend beyond elections, influencing policy-making and governance. Candidates or parties elected through unethical means are more likely to serve the interests of their financial backers rather than the public. This often results in policies that do not address the needs and expectations of citizens. Furthermore, money politics exacerbates inequality in political access, giving those with greater financial resources an unfair advantage in achieving their political goals. Addressing this issue is not only crucial for safeguarding electoral integrity but also for ensuring fair representation and the development of pro-people policies.

In Indonesia, the practice of money politics is closely linked to the high cost of politics (Sudjana, 2022, p. 65). Illegal financial transactions to influence election outcomes contribute to the rising cost of politics (Amiseno, 2019, p. 33) and encourage candidates and parties to amass large financial reserves, which increase the cost of conducting a political campaign (Ranggong et al., 2023, p. 104). This can create an environment in which candidates with greater financial resources—while less capable—outperform more qualified candidates who lack such resources.

The interplay between money politics and the high cost of campaigning in Indonesia affects the efficient use of resources within the political system (Azmi & Riyanda, 2020, p. 43). Candidates involved in money politics often allocate a significant portion of their resources either to secure support or to satisfy the demands of their contributors (Ma'ruf et al., 2023). Consequently, campaigns focused on substantial policy issues are often neglected, sidelining the public's interest (Ma'ruf et al., 2023).

The interconnectedness of these practices hinders the efficient use of resources in the political system and threatens the development of an inclusive democracy. Money politics, which entails using financial resources to influence political outcomes, often exacerbates inequalities

in political participation and consolidates the power of economic elites. The high cost of politics places pressure on candidates and political parties to secure substantial funds, frequently driving them to engage in such practices. This dynamic creates a detrimental cycle in which only those with sufficient financial resources can compete effectively, while more qualified but financially disadvantaged candidates are marginalized.

These interconnected challenges pose significant obstacles to achieving an inclusive and equitable democracy where all individuals should have equal opportunities to participate in the political process. To address the challenges of money politics, Indonesia must implement stricter regulations and enhance transparency in political funding, following the examples set by South Korea and several European countries. By lowering the cost of politics through equitable regulations and discouraging the practice of money politics, Indonesia can promote broader political participation and ensure that democracy reflects the will of all citizens, not just those with financial means.

The interconnection between money politics and high political costs significantly affects the effective use of resources in the political system (Ma'ruf et al., 2023). Indonesia should address these challenges by implementing stricter regulations, enhancing transparency, and gaining a deeper understanding of how money politics affects political costs (Tanuredjo, 2021). Such efforts will help maintain the integrity of the political process, reduce the influence of money in elections, and improve the efficient use of political resources.

### **F. Money Politics and Political Costs in Indonesia: Solutions and Implications**

South Korea and several European countries have implemented stringent regulations governing money politics and campaign financing. These measures mandate political parties to maintain organized financial records and publicly disclose them. Furthermore, they provide online platforms that offer the public transparent access to campaign finance information, allowing for real time monitoring of the flow of funds.

**Tabel 1.** Comparison of Legal Frameworks and Challenges of Money Politics

Aspects	South Korea	European Countries	Indonesia
<b>Legal Frameworks</b>	<ul style="list-style-type: none"> <li>- Stringent laws on election and political party.</li> <li>- NEC and ACRC roles in monitoring and enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>- Stringent regulations on campaign finance.</li> <li>- Independent oversight bodies such as KNAB in Latvia.</li> </ul>	<ul style="list-style-type: none"> <li>- Revision of the Election Law to tighten campaign contribution rules.</li> <li>- Need to strengthen Bawaslu and other stakeholders.</li> </ul>
<b>CHALLENGES</b>	<ul style="list-style-type: none"> <li>- Limited resources.</li> <li>- Corruption in the legal system.</li> <li>- Difficulty in collecting evidence.</li> </ul>	<ul style="list-style-type: none"> <li>- High levels of corruption in some countries (eg. Italy).</li> <li>- Challenges in collaboration between countries.</li> </ul>	<ul style="list-style-type: none"> <li>- High political costs.</li> <li>- Difficulty in enforcing laws related to money politics.</li> </ul>
<b>Oversight Mechanism</b>	<ul style="list-style-type: none"> <li>- Upskilling of NEC staff.</li> <li>- Close supervision of election campaigns.</li> </ul>	<ul style="list-style-type: none"> <li>- Strong internal supervision and control.</li> <li>- Access to online information related to political finance.</li> </ul>	<ul style="list-style-type: none"> <li>- Need to increase active participation of the public.</li> <li>- Stronger law enforcement.</li> </ul>
<b>Impacts and Challenges</b>	<ul style="list-style-type: none"> <li>- Major corruption scandals involving political figures.</li> <li>- Efforts to improve transparency and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>- Increased accountability of public officials.</li> <li>- Financial transparency strengthens democratic integrity.</li> </ul>	<ul style="list-style-type: none"> <li>- Adverse impact on the efficient use of political resources.</li> <li>- Dependence on donors.</li> </ul>

In terms of institutional strengthening, many countries have established independent oversight bodies with the authority to investigate and enforce regulations related to money politics. These bodies monitor and address violations of campaign financing laws, imposing sanctions when necessary. Their presence ensures legal certainty and safeguards the public against corruption and misuse of campaign funds, thereby preserving democratic integrity. Furthermore, the investigative and enforcement powers of these bodies send a clear message to political actors that money politics will not be tolerated, fostering a more ethical, transparent, and accountable political environment.

The public also plays an essential role in monitoring money politics, driven by a growing awareness of the importance of transparency in the political process. The active participation of the public is crucial in monitoring money politics. Growing public awareness of the importance of political transparency serves as the primary driver behind these monitoring efforts. Communities have established independent mechanisms, including oversight organizations and advocacy

groups, to actively monitor and report potential instances of money politics.

This engagement not only reflects a strong democratic ethos but also places constructive pressure on political leaders to uphold the principles of transparency, accountability, and integrity in their conduct. By integrating public participation in the oversight of money politics, a solid foundation can be laid for a cleaner and more transparent political system. Indonesia must adopt stricter regulations on campaign finance and money politics, as current laws exhibit shortcomings in both transparency and enforcement. For instance, while political parties are required to report the sources and expenditures of campaign funds, these requirements are often poorly enforced, and compliance monitoring is inadequate.

Drawing on comparisons with countries such as South Korea and Spain—both of which have successfully curbed money politics through stricter regulations—mandating public disclosure of campaign finance details can help reduce opportunities for money politics, a persistent issue in every election in Indonesia. Additionally, Indonesia could benefit from the establishment of an independent oversight body with investigative and enforcement powers over money politics. Such a body would ensure that political parties adhere to established regulations. Strengthening the Election Supervisory Agency alongside other entities, such as the police and the Attorney General's Office, is essential for improving investigation and enforcement efforts on money politics.

Moreover, enhancing public education and awareness about the detrimental effects of money politics is critical for fostering community engagement in monitoring and reporting violations. Enhancing public understanding and awareness of the detrimental effects of money politics is essential for building a robust foundation and fostering a culture of active participation. By empowering the public with a deeper understanding of the consequences, they can more effectively identify and resist corrupt political practices.

This heightened awareness is critical in encouraging active public participation, prompting citizens to monitor the political

process and report any observed violations. Through educational initiatives emphasizing political ethics and the importance of integrity within a democratic system, individuals can become agents of change, fostering a cleaner and more transparent political environment. Implementing these measures can also reduce the high cost of politics in Indonesia. By curbing money politics, political parties and candidates can shift resources away from such practices and focus more on campaigns prioritizing substantial political issues, thereby increasing participation and public confidence in the democratic process.

Lessons from South Korea and European countries show that stringent regulations, independent oversight bodies, and active public participation can mitigate both money politics and high-cost politics. The implication for Indonesia is a sustained effort to diminish the influence of money in politics, promote greater transparency in campaign financing, and ensure more efficient resource allocation in the political system. Drawing on case studies from South Korea and European countries, an analysis of money politics in democratic systems reveals significant findings that underscore the strong correlation between the high cost of politics and political corruption in Indonesia. Money politics, as a multifaceted phenomenon, poses significant risks to the integrity of democratic processes and threatens the efficient allocation of state resources.

#### IV. Conclusion

A comparative analysis of Indonesia, South Korea, and European countries reveals notable contrasts in how money politics is addressed and its impact on political systems and democracy. South Korea has successfully introduced stringent anti-corruption measures and reinforced campaign regulations, with oversight by agencies such as the National Election Commission (NEC) and the Anti-Corruption and Civil Rights Commission (ACRC). However, challenges persist in law enforcement. In Europe, countries such as the UK exhibit a strong commitment to controlling political costs with agencies such as the Electoral Commission, providing robust oversight to restrict money politics practices and ensure compliance with prevailing regulations.

In contrast, Indonesia continues to face significant challenges related to money politics and unchecked campaign spending, which threaten democratic sustainability. Despite recent reforms such as revisions to the Election Law and an expanded role for the Election Supervisory Agency (Bawaslu), enforcement remains weak. For instance, bribery cases involving members of the General Elections Commission (KPU) in 2019 demonstrate that legal reforms alone are insufficient without effective law enforcement.

The intricate relationship between money politics and rising political costs in Indonesia has fostered a political landscape dominated by financial interests, limiting equitable political participation. The high cost of politics leads to a situation in which only well-financed candidates or parties can compete, thus reducing the representation of people's voices. Achieving inclusive democracy requires a holistic change in political culture that emphasizes the reduction of money politics and control of political costs.

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