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## From the Village for the Village Head: Village Funds Misuse Risk

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**Abstract:** The objective of this study was to examine the misuse of the village funds by village heads and to assess the benefits of the funds. Data were collected using online research methods (ORMs), including reports from supervisory agencies, news articles, and publications related to the misuse of village funds. The results showed that village funds—introduced in 2015—totaled Rp 609 trillion from 2015 to 2024, with corruption cases rising annually throughout this period. In 2023, the village sector recorded the highest number of corruption cases among all sectors. Between 2016 and 2022, a total of 682 cases were documented, resulting in state losses of Rp770.5 billion. Based on these findings, we conclude that corruption is likely to continue rising annually, particularly following the enactment of Law No. 3 of 2024, which extended the term of office for village heads from six to eight years. This prolonged tenure increases the risk of further misuse of village funds by village heads and officials. Moreover, the findings indicate that village funds have not yet been effectively used to empower communities or to significantly reduce poverty. To optimize the role of village budgets in reducing poverty and improving community welfare, the government should enhance oversight and evaluation mechanisms while implementing preventive policies to mitigate the risks associated with extending the term of office of village heads.

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## I. Introduction

Law Number 6 of 2014 on Villages has been amended by Law Number 3 of 2024. One of the key changes, and arguably the most significant, is the extension of the village head's term of office from six to eight years, with the possibility of re-election for a maximum of two terms. The main objectives of this amendment are: 1) to develop more advanced, independent, prosperous, and democratic villages; 2) to enhance the role of villages in village development; and 3) to provide village heads with sufficient time to assess the performance of village officials and evaluate draft Village Budget (APBDes) regulations. However, some argue that beyond these stated objectives, there are ulterior motives behind the revision, particularly regarding the extension of the village head's term of office. This issue will be further discussed in the Results and Discussion section.

Despite these debates, villages have long played a vital role in the history of the nation (Puspitasari, 2018, p. 331). As the institutions closest to the community, village governments remain central to advancing both village and national development, with the government and the public placing great hopes on villages for Indonesia's future (Sari, 2020, p. 489; Sholikhah et al., 2021, p. 1)—as reflected in the slogan, “from the villages, for Indonesia.” According to data from the Ministry of Home Affairs, approximately 48–49% of Indonesia's population lives in rural areas. This demographic drew particular attention from the Jokowi–JK administration, which incorporated it into their nine priority programs (Nawacita), particularly the agenda of developing Indonesia from its periphery by strengthening regions and villages.

These expectations are not unfounded, as the government has allocated a substantial budget to support rural development. Over the past decade, village funds have occupied a prominent position in the State Budget (APBN), highlighting the need for sound financial management. This management encompasses planning, implementation, administration, reporting, and accountability. Ensuring adherence to established principles is crucial to prevent misuse and to maximize benefits for the community. These principles (Permatasari et al., 2021, p. 4) include:

1. Justice: prioritizing the rights and interests of all village residents without discrimination.
2. Priority of Needs: focusing on the village's most urgent interests.
3. Village Authority: upholding rights of origin (hak asal usul) and local authority.
4. Participatory: encouraging community initiative and creativity.
5. Self-Reliance and Resource-Based: implementing programs independently by utilizing the village's natural and local resources.
6. Village Typology: taking into account geographical, sociological, anthropological, economic, and ecological characteristics.

Like a coin, Village Funds have two sides. On the one hand, their large allocation is a blessing for village governments, especially in poor villages. These funds provide a more reliable financial capacity for development, removing budget shortages as a common excuse. Yet some village governments remain uncertain about how to allocate these resources effectively. Many view the substantial allocation of Village Funds as a positive opportunity, as it enhances their capacity to address community needs. On the other hand, managing Village Funds often presents serious challenges, particularly corruption, which can turn them into a curse (Permana et al., 2020, p. 636).

Since the enactment of Law No. 6 of 2014, research on villages has increased substantially, with many studies examining issues such as accountability in Village Fund management (Febri Arifiyanto & Kurrohman, 2014, p. 1; Makalalag et al., 2017, p. 1; Nafidah & Anisa, 2017, p. 273; Setiawan et al., 2017, p. 1; Dharmawati et al., 2021, p. 40). Village democracy has also emerged as a dominant theme, with numerous scholars exploring this subject (Averus & Alfina, 2020, p. 585; Haluana'a et al., 2020, p. 46; Susmanto et al., 2022, p. 2833; Ummah et al., 2023, p. 1223; Yuningsih & Subekti, 2016, p. 1).

By contrast, studies focusing specifically on corruption in village budgets—encompassing both Village Funds (DD) and Village Budget Funds (ADD)—remain relatively scarce and lack comprehensive analysis, with most concentrating

primarily on legal aspects (Al Khasyi' et al., 2024, p. 71; Sugianto, 2020, p. 121; Syahrin et al., 2021, p. 190; Telaumbanua et al., 2024, p. 680). Only a few have examined how corruption in village funds has developed over time, its main causes, and its concrete impact on society. Moreover, no study has specifically explored the implications of the latest Law on Villages (Law No. 3 of 2024), which extends the term of office for village heads to eight years, in relation to the potential for increased budget misuse.

This study seeks to address that gap by providing an in-depth analysis of current trends in village budget corruption, identifying the triggering factors, assessing the impact on the utilization of village funds for communities, and examining the risks of greater misuse following the extension of village heads' terms of office. The novelty of this study lies in its comprehensive examination of village fund corruption within the context of regulatory changes to village head tenure a topic that has received little attention in previous studies.

To this end, the study investigates: 1. What are the trends in village budget corruption? 2. What outcomes has the village budget produced since its initial allocation in 2015 up to 2024?

## II. Methods

This study employed the Online Research Method (ORM) (Fielding et al., 2012, p. 537) to examine the dynamics of village fund misuse by village heads and their officials. The ORM approach was closely aligned with existing research methodologies but aimed to uncover new facts, information, and conditions through technology and internet-based searches.

Although this method was relatively new and still evolving, it created opportunities to identify findings from sources overlooked in traditional research. This methodological choice was motivated by the rapid growth of social media, the increasing availability of online news, the complexity of the data, and the opportunities created by the internet. Its inclusion in this study provided unique insights for evaluation and contributed new knowledge to the community. This, in turn, enabled a deeper understanding of issues of concern.

Data for this study were collected through a web-based experiment (Reips, 2006, p. 2; 2012, p. 1). Although internet-based data collection differed from offline approaches, it was not entirely distinct (Reips, 2002, p. 1; U. Reips, 2006, p. 18; 2012, p. 12). The web-based experiment involved gathering digital village budget data from multiple sources, including Indonesian government websites, prior research, digital documents, online media, and mainstream online platforms (Reips, 2002, p. 1; Reips, 2006, p. 2; 2012; Schwarz & Reips, 2001, p. 75). Data were analyzed using online content analysis (Reips, 2006, p. 18; 2012, p. 9).

The data collected comprised the 2015–2024 village fund budgets, the number of village budget corruption cases and associated potential state losses, the salaries of village heads and their officials, the number of corruption cases by sector, the Village Development Index (IDM) status, and rural–urban poverty levels.

The collected data were analyzed using online content analysis, which applied systematic coding and interpretation to describe and draw conclusions from online material. This approach allowed the study to produce well-grounded conclusions and generate new insights into the cases examined.

Data collection was conducted by exploring, identifying, collecting, and mapping digital data from government documents and various other internet sources. Online Research Methods (ORMs) facilitated broad data access; however, ensuring the validity and reliability of information obtained from diverse online sources remained a major challenge.

## III. Results and Discussion

### A. Village Budget Corruption Trends

Since their initial disbursement in 2015, village funds have increased significantly each year. Between 2015 and 2024, the government allocated approximately 609 trillion rupiah to 74,423 villages across Indonesia. This substantial funding was intended to support village development and community empowerment, with the goal of improving welfare, enhancing quality of life, and reducing poverty.

Village funds are allocated based on population size, poverty levels, land area, and geographic challenges. As a result, each village receives a different budget sourced from the State Budget (APBN).

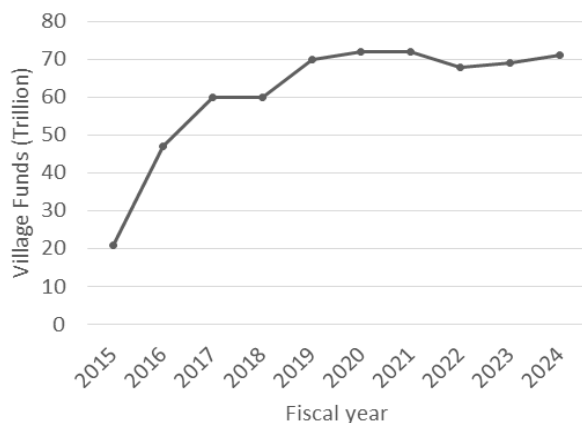


Figure 1. 2015–2024 Village Fund Budget

Source: Processed by the researcher

After a decade of village funds accounting for a significant portion of the state budget, questions have emerged regarding their actual benefits to the community. A key concern is whether these funds have been used in accordance with their intended purposes or misappropriated by village heads and their staff, who hold full authority over fund management, a power that has frequently been exploited for personal gain. This concern is reflected in research by Indonesian Corruption Watch (ICW). Between 2016 and 2022, there were 682 cases of village budget corruption involving village heads and their staff, causing state losses of Rp770.5 billion.

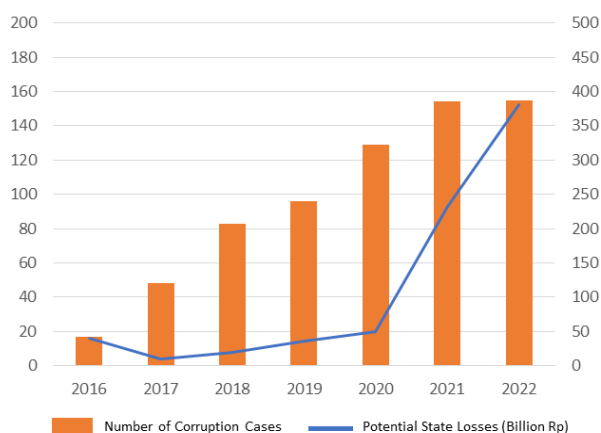


Figure 2. Village Budget Corruption Cases and Potential State Losses (2016–2022)

Source: Indonesian Corruption Watch (ICW), 2023

In 2016, just one year after the village fund policy was introduced, 17 corruption cases were reported, with potential state losses of 40.1 billion rupiah. The number of cases and the scale of state losses increased sharply over time, reaching 155 cases in 2022 with total state losses of 381 billion rupiah. These findings suggest that corruption has penetrated the lowest levels of government. This is particularly concerning because corrupt practices now extend from the central government down to the most remote villages.

The data also suggest that the trend of village budget corruption continues to rise annually. The risk has become even greater following the amendment to the Village Law, which extends the term of office of village heads from six to eight years. While this policy aims to strengthen village leadership, it also creates wider opportunities for abuse of power, making the extended term a double-edged sword. On the one hand, longer terms of office provided leadership stability and sufficient time to plan and implement sustainable development programs.

On the other hand, however, the extended term also had the potential to reinforce local oligarchies and open up greater opportunities for abuse of power, particularly in the management of village funds. A study (Tsur, 2022, p. 1) suggest that tightening the terms of office reduces the risk of state losses due to corruption. This may explain why voters often, and overwhelmingly, support term limits (Dixon & Landau, 2019, p. 365). A longer term of office for village heads increases the potential for misuse of village funds. In this sense, Lord Acton's famous dictum—Power tends to corrupt, and absolute power corrupts absolutely—remains highly relevant to the dynamics of village governance in Indonesia.

Numerous studies have shown that elections at all levels of government serve as the primary mechanism for voters to demand accountability and correct incumbents' past performance (Ionescu, 2015, p. 63; Klačnja & Titiunik, 2017, p. 129; Klein & Sakurai, 2015, p. 21; Smart & Sturm, 2013, p. 93). Extending the term of office for village heads forces communities to wait longer to exercise this corrective function, thereby weakening their ability to hold incumbents accountable through the ballot box. Consequently, a longer term of office either eliminates or at least

delays one of the fundamental roles of electoral politics: ensuring accountability of incumbents.

A study by Indonesia Corruption Watch (ICW) identified five key processes that create opportunities for village heads and their staff to engage in corruption:

1. Elite-driven biases during the planning stage;
2. Nepotism in the project implementation phase;
3. Manipulation and mark-ups;
4. Lack of transparency in the procurement of goods and services; and
5. Monitoring and evaluation processes that often amount to mere administrative formalities.

These five processes provide opportunities that village heads commonly exploit to misuse village funds.

Corrupt behavior by village heads and their staff was partly attributed to their low salaries. According to Government Regulation No. 11 of 2019, the minimum monthly salary was set at 2.43 million rupiah for village heads, 2.22 million rupiah for secretaries, and 2.02 million rupiah for other staff. This amount was deemed inadequate by several parties, particularly the Association of Indonesian Village Governments (APDESI), especially in regions with high living costs, where two million rupiah was insufficient to meet basic needs.

Numerous studies have shown a strong correlation between corruption and wages/salaries. Low salary levels have been identified as one of the root causes of corruption in the public sector, as previous research has shown (An & Kweon, 2017, p. 809; Biltagy & Taha, 2018, p. 409; Chen & Liu, 2018, p. 189; Demirgüç-Kunt et al., 2021, p.1; 2023, p. 941; Navot et al., 2016, p. 1). Although they are not the sole factor, salary levels can influence the likelihood of corruption cases, even if raising wages is not always cost-effective

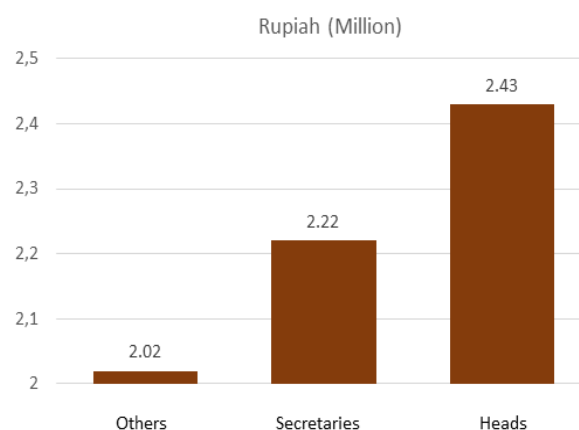


Figure 3. Salary of the Village Heads and Officials

Source: Ministry of Finance

Research has found that higher wages have a positive impact on reducing corruption (Schulze & Zakharov, 2018, p.135) both by increasing job satisfaction and by motivating workers who felt valued by their employers, thereby lowering their inclination to engage in corrupt practices.

There is an inverse correlation between corruption and wage levels: higher wages make administrative positions more attractive compared to those in the private sector (Biltagy & Taha, 2018). Furthermore, higher wages were found to increase the moral costs of corruption and to discourage attempts to engage in corrupt acts by providing fairer compensation. Low incomes, by contrast, could encourage otherwise honest individuals to resort to fraud. Therefore, organizations must establish a sound remuneration system and pay employees fair salaries (Prabowo, 2014, p.322).

However, empirical evidence supporting this relationship has been difficult to identify. Some public positions with high salaries have nevertheless failed to suppress corrupt behavior. For example, the corruption case of the Chief Justice of the Constitutional Court, Akil Mochtar—who earned more than 5 billion rupiah over five years—demonstrated that high pay alone did not eliminate corrupt practices. A study by Bauhr (2017) has distinguished between two types of corruption: corruption by necessity and corruption by greed. Corruption by necessity was shown to stem, among other factors, from the low wages of public officials.



The low fixed monthly income of village heads and their officials emerged as a concern that required further examination to identify ways of reducing the potential for corruption in village budgets. Corruption became an interesting issue when officials were underpaid, particularly when they struggled to meet basic needs. When the salaries of village heads and their officials are already high, however, harsher penalties should be imposed to deter corruption, providing an incentive consistent with the level of compensation they receive.

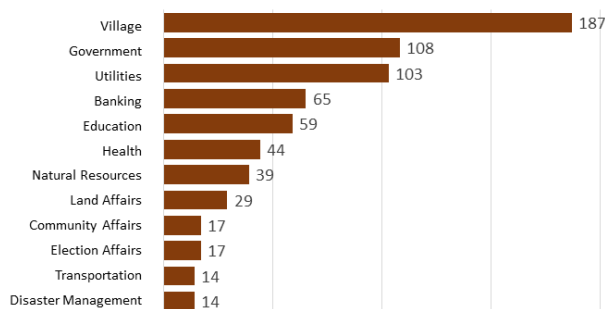


Figure 4. Corruption Cases By Sector (2023)

Source: Indonesia Corruption Watch, 2024

The low salaries were inadequate relative to the high political costs incurred during the village head election. For example, the Head of Pranan Village, Sukoharjo Regency, reported that political costs were astronomical, ranging from 400 million to billions of rupiah. It is therefore not surprising that corruption cases in the village sector ranked among the highest compared to other sectors. The high incidence of corruption was closely linked to the incentives that candidates had to provide to buy votes during village head elections. Their salaries were insufficient to offset these expenditures, leaving ample room for corruption and misuse of village funds.

Money politics occurs not only in general and regional elections but also in village head elections, the level of electoral democracy closest to the community. As Jacob noted (Nabila et al., 2020, p.149), "Money by itself is insufficient, but it is essential for a successful campaign."

Money was found to be necessary because campaigns influenced election results, and campaigns could not proceed without it. Money politics remains an effective way to garner constituents' votes (Astuti & Marlina, 2022, p. 151;

Putri et al., 2020, p.72). The high logistical costs of election fueled corruption (Sidiq & Wahyuni, 2024, p.43).

Several existing studies have shown that money politics is an integral and inseparable part of village head elections (Mu'awanah, 2021; Astuti & Marlina, 2022, p. 151; Putri et al., 2020, p. 72; Hermawan & Sundary, 2022, p.1043; Lomu & Widodo, 2018, p.274). This problem needs to be resolved immediately; otherwise, the ideals of developing Indonesia from the villages will remain unattainable due to the high cost of elections.

In addition to salaries, campaign regulations—particularly those concerning the use of campaign funds and the oversight of the election process—need to be restructured and prioritized by the government to minimize money politics. Several studies have also shown that money politics contributes to political corruption among candidates who win the election. Ultimately, money politics creates a vicious cycle of corruption and personal interests, in which candidates feel compelled to "recoup their political expenses" by exploiting public resources after being elected, thereby hindering the development process. This phenomenon has profound effects on governance at the village level, which serves as the spearhead of development. Village funds and budgets, which should be allocated to improving community welfare, often become the primary sources used by elected village heads or officials to recover their political costs. This practice further exacerbates social disparities by fostering uneven development and leaving communities without political access increasingly marginalized.

Data from 2023 indicate that the village sector accounted for the highest level of corruption in Indonesia (see Chart 4). This finding suggests that villages, once regarded as centers of clean development, have instead become increasingly vulnerable to fund misappropriation. Corruption at the village level not only erodes state funds but also erodes public trust in local government. As a result, communities that should directly benefit from village development instead become its victims. Therefore, the government should tighten regulations on the use of campaign funds and strengthen oversight systems, down to the village level, to ensure that every disbursed budget is transparently accounted for.

If this issue is not addressed immediately, the domino effect of village-level corruption could spread to other sectors, undermine government structures, and hinder overall economic growth. Strengthening regulations, transparency, and oversight must remain a primary focus of the government to ensure that money politics is no longer an entrenched part of the electoral process, both at the central and regional levels, including village head elections, the most fundamental form of election in Indonesia.

## B. Results of the Village Funds Policy

As explained above, the government allocated a substantial budget to finance village empowerment and infrastructure, which was expected to form the foundation for Indonesia's future progress. From the perspective of the Village Development Index (IDP), the implementation of the village fund policy has shifted many villages from very underdeveloped to underdeveloped, from underdeveloped to developing, and from developed to independent. The Village Development Index consists of three indicators: the Social Resilience Index, the Economic Resilience Index, and the Environmental Resilience Index (see figure 5) (Astika & Sri Subawa, 2021, p.224; Sari & Oktavianor, 2021, p.2; Setyowati, 2019. p.171).

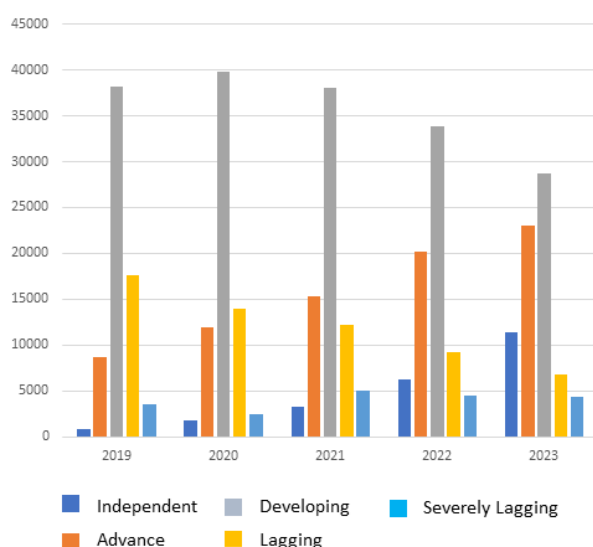
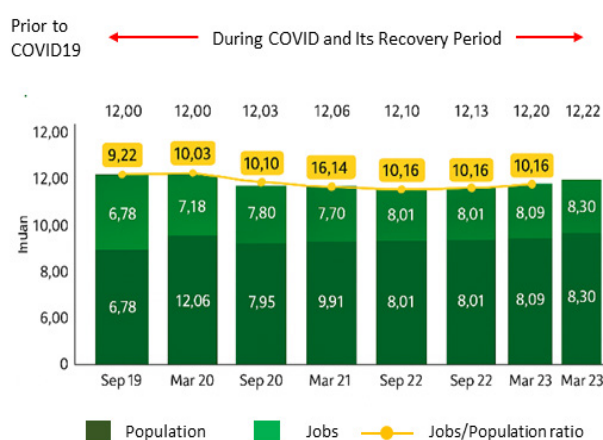


Figure 5. Village Development Index Status 2019–2023

Source: Ministry of Villages, Development of Disadvantaged Regions, and Transmigration, 2024

The Village Development Index serves as a tool to measure how village funds operate within communities. It also aligns with the concept of sustainable development, which encompasses social, economic, and environmental dimensions (Astika & Subawa, 2021). Through this index, village development targets are expected to be achieved (Setyowati, 2019). Over the past decade of the village fund policy, the number of very underdeveloped and underdeveloped villages has declined, while the number of developed and independent villages has risen. The improvement in village status indicates greater autonomy, which in turn strengthens the empowerment of village communities. Village community empowerment is a central goal, forming the foundation for enhancing participation, knowledge, and skills—ultimately strengthening the capacity and capabilities of village communities (Kementerian Desa PDTT, 2020).

The Village Development Index is one of the indicators used to assess whether the village budget provides tangible benefits for village communities. Its overall effectiveness is further evaluated by considering additional aspects, particularly its economic contribution to reducing rural poverty. Data from the Central Statistics Agency (BPS) shows that there was no significant decline in poverty rates in rural areas. During the assessment period from September 2019 to March 2023, the highest poverty rate was recorded in September 2020 (due to COVID-19) at 13.20, and the lowest in March 2023 at 11.34. These figures remain significantly higher compared to urban areas (see Chart 6)



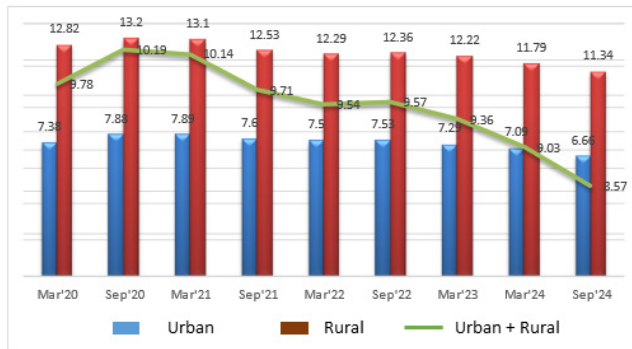


Figure 6. Rural vs. Urban Poverty

Source: Central Statistics Agency (BPS), 2024

From the data presented above, we argue that village budgets have not had a significant impact on reducing poverty rates. Although one of the objectives of the village fund policy is to alleviate poverty in rural communities, a clear gap remains between policy goals and their implementation on the ground. Based on the Village Development Index (IDM), village status increased significantly. However, this increase does not fully capture the progress of villages' economic performance, even though the IDM includes an economic component that should correlate with poverty alleviation.

The data indicate that improvements in village status were driven more by non-economic indicators, such as infrastructure and basic services. While these indicators are important, their effect on raising living standards and reducing poverty in rural communities tends to be more indirect and takes longer to materialize. Therefore, a more in-depth study is needed to examine the relationship between data from the Ministry of Villages, Development of Disadvantaged Regions, and Transmigration (Kemendesa PDTT) and poverty data from the Central Statistics Agency (BPS). This analysis should focus on whether village fund allocations are actually used for programs that have a direct impact on poverty alleviation, such as community economic empowerment or the development of small and medium-sized enterprises in villages.

Structural and systemic constraints must also be assessed. For example, village fund allocations are often not supported by adequate governance capacity in village administrations. Many village administrations lack adequate capacity in financial management, development

planning, and strategic program implementation, which often leads to funds being allocated mainly to physical infrastructure rather than to long-term, sustainable economic initiatives. Economic empowerment programs—such as skills training, access to business capital, and the development of high-value village products—have significant potential to reduce rural poverty over the long term. However, village funds have so far been insufficient to raise villagers' economic standing to a level competitive with urban areas, even as other aspects of village development have improved. This rural–urban gap is further exacerbated by limited access for rural communities to markets, technology, and adequate information. Investment in villages is often constrained by suboptimal logistics infrastructure and connectivity, limiting the competitiveness of village products in broader markets.

Inequality can also result from the uneven distribution of village funds between developed and underdeveloped villages. Developed villages with better infrastructure and access to resources are often able to utilize village funds more effectively than underdeveloped villages, which continue to struggle to meet basic needs. Therefore, village funds must be allocated and utilized using a more targeted and context-specific approach to ensure the policy effectively contributes to poverty reduction.

From an infrastructure perspective, village funds have positively supported communities. Public facilities—including village roads, bridges, irrigation systems, clean water facilities, sports facilities, toilets, and drainage—help meet diverse community needs across sectors such as agriculture, education, health, and welfare.

Table 1. Results of Village Funds 2015-2023

| No. | Type                               | Total  | Unit   |
|-----|------------------------------------|--------|--------|
| 1   | Bridges                            | 129979 | Meters |
| 2   | Village Roads                      | 33657  | Meters |
| 3   | Markets                            | 516    | Units  |
| 4   | Village-Owned Enterprises (BUMDes) | 450    | Units  |
| 5   | Boat Crossings                     | 399    | Units  |
| 6   | Reservoirs                         | 318    | Units  |



|    |                                       |       |               |
|----|---------------------------------------|-------|---------------|
| 7  | Irrigation systems                    | 31142 | Units         |
| 8  | Retaining Walls                       | 9287  | Units         |
| 9  | Sport Facilities                      | 2172  | Units         |
| 10 | Clean Water Facilities                | 10.13 | Millions      |
| 11 | Sanitation and hygiene facility (MCK) | 26300 | Units         |
| 12 | Drainage                              | 29.55 | Millon meters |
| 13 | Early Childhood Education Activity    | 2547  | Activities    |
| 14 | Integrated Health Unit                | 2587  | Units         |
| 15 | Well                                  | 8031  | Units         |
| 16 | Artesian Well                         | 31.01 | Million Units |

Source: processed by researchers

Numerous studies have demonstrated the effectiveness of village fund policies in advancing village infrastructure (Antou et al., 2019, p.131; Digidowiseiso & Afriyanto, 2023; Irmansyah et al., 2021, p.1086; Mingkid et al., 2017, p.1; Najmuddin, 2024, p.497; Poluan et al., 2021, p.166; Yudistira et al., 2018, p.1193). Infrastructure development represents one of the most tangible outcomes of this policy, directly benefiting village communities. Roads, bridges, and markets constructed with village funds have improved accessibility and stimulated economic activity. Irrigation systems and reservoirs have substantially increased agricultural production, reducing farmers' dependence on the rainy season. Moreover, the construction of health facilities, such as integrated health posts (Posyandu), sanitation and hygiene facilities (MCK), and drainage systems, has enhanced public health, hygiene, and overall livability in villages.

The positive outcomes of village development in Indonesia following the implementation of Village Funds clearly demonstrate the benefits of allocating budgets directly to villages. Notable examples include Ponggok Village in Klaten, which generated billions of rupiah through the management of Umbul Ponggok; Sekapuk Village in Gresik, which transformed from a slum into the Setigi tourist destination; and Sanankerto Village in Malang, where agrotourism development demonstrates how village funds can

catalyze innovation and promote local economic empowerment.

Through Village-Owned Enterprises (BUMDes), these funds support the construction of physical infrastructure, such as roads and irrigation systems, and also generate employment, increase village revenues, and enhance the quality of life and public services, as evidenced by the transparent management of village funds in Gemawang Village and the development of sustainable tourism in Nglanggeran Tourism Village. Overall, these villages demonstrate that with participatory planning and accountable management, Village Funds can convert local potential into sustainable community welfare

However, this effectiveness is contingent on the implementation of village funds that uphold the principles of transparency, accountability, and community participation. In many cases, the effectiveness of this policy is undermined by the misuse of village funds by village heads or officials. When funds are misallocated, development is misdirected, and its benefits are not fully realized. Such irregularities result in financial losses and erode community trust in the village government, which bears primary responsibility for leading policy implementation.

On the other hand, it is also essential to recognize that this infrastructure development can serve as a foundation for more sustainable economic empowerment programs. The construction of roads and bridges should be accompanied by efforts to connect villages with regional markets, enabling village-made products to compete more effectively on a broader scale. Similarly, the development of village markets should be accompanied by entrepreneurship training and access to capital for small and micro businesses, thereby promoting inclusive village economic growth.

## IV. Conclusion

The revision of the Village Law—from Law No. 6 of 2014 to Law No. 3 of 2024—extends the term of office for village heads to eight years, allowing re-election for up to two consecutive terms. Such a change is expected to remain controversial. This study found that corruption involving village funds has increased annually since its initial

allocation in 2015. Between 2016 and 2022, the government disbursed Rp609 trillion, with 682 reported corruption cases causing state losses of Rp770.5 billion. The extension of the term of office may therefore further heighten the risk of corruption among village heads and their officials. In addition, village budgets have yet to lift villagers out of the poverty trap.

A limitation of this study was the absence of empirical testing to confirm the argument that corruption risks will rise following the extension of village heads' terms of office. This claim rests primarily on the observed upward trend in corruption cases and is supported by prior studies.

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