

An Analysis of Corruption Prevention in Jepara: The Integration of E-Government, Legislative Functions, Legal Integrity, and Local Wisdom

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Article Info

Article history:

Received 2026-05-04

Revised 2026-05-25

Accepted 2026-06-03

Keywords:

Corruption Prevention
Integration of E-Government
Legislative Functions
Legal Integrity
Local Wisdom

ABSTRACT

This study investigates a corruption prevention paradox in Jepara Regency, Indonesia, where massive financial crimes persist despite high Monitoring Center for Prevention (MCP) scores and robust Electronic-Government (E-Government) adoption. The research aims to deconstruct the failure of purely technocratic anti-corruption approaches by emphasizing the sociological context of human operators. Utilizing quantitative Path Analysis, this study examines the influence of Legislative Function, Legal Integrity, Local Wisdom, and E-Government Integration on Corruption Prevention. Data was acquired through structured Likert-scale questionnaires distributed to 226 respondents, comprising local government officials, legislative representatives (DPRD), governance experts, and cultural preservation figures. Findings reveal that while E-Government and legislation provide essential regulatory frameworks, Legal Integrity acts as a critical mediator. Furthermore, Local Wisdom, as measured through indicators of Ratu Kalinyamat's meritocratic leadership philosophy and the socio-cultural ethos of Jepara woodcarving, functions as a significant socio-cultural moderator that bridges the gap between theoretical regulation and actual bureaucratic behavior. The novelty of this research lies in its mathematical demonstration that integrating traditional cultural ethics fundamentally enhances the efficacy of modern anti-corruption systems. Ultimately, sustainable local corruption eradication requires a holistic synthesis of digital transparency, legislative accountability, and deep-rooted cultural ethics. These findings urge Indonesian regional governance policymakers to incorporate localized moral frameworks alongside technocratic oversight to achieve genuine bureaucratic reform.

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1. INTRODUCTION

Corruption is an extraordinary crime that systematically undermines a state's social, economic, and political order. This white-collar crime not only represents a major obstacle to macroeconomic development and the equitable distribution of public wealth but also fundamentally disrupts the peace and stability of governance, ultimately resulting in widespread public suffering. In the historical context of regional governance in Indonesia, corruption has transformed into an endemic disease that has massively decentralized alongside the delegation of political and financial authority from the central government to autonomous regions since the reform era. This paradigm shift from centralization to decentralization, although theoretically intended to accelerate local development, has, in practice, often created new epicenters of abuse of power and collusive practices at the grassroots level [1]–[4].

Systemic and structured efforts to combat corruption have been implemented through various state policy instruments, including both repressive measures, such as rigorous criminal law enforcement, and preventive measures, such as comprehensive bureaucratic reform and the digitalization of public services. Among the most prominent preventive efforts globally in the contemporary era is the implementation of the Electronic-Based Government System (SPBE), commonly known as Electronic Government (E-Government), paired with the strengthening of oversight and legislative functions of the Regional Legislative Council (DPRD). This dual approach is designed to reform governance to be more responsive, transparent, and accountable to the public [5]–[8].

Theoretically and conceptually, the implementation of E-Government in the public service and public administration sectors holds exceptionally strong juridical legitimacy and rationality, designed specifically as a primary governance instrument to mitigate and prevent corruption. The existence of this integrated information system aims to foster boundless transparency, increase the accountability capacity of state administrators, and expand the space for citizen participation in monitoring government administration [9], [10]. The use of information and communication technology tools in government operations is expected to reduce direct face-to-face interactions between the state civil apparatus and the public or third-party project organizers. Logically, this technology-based disintermediation is believed to sever the chain of opportunities for illegal levies, disguised gratifications, fictitious transactions, and tender collusion. Numerous previous studies and the literature have shown that the more optimal the level of E-Government implementation and the accountability mechanisms applied by a state entity, the more significantly it can reduce the aggregate level of perceived corruption in that region. This raises the expectation that the adoption of digital systems will serve as a "silver bullet" for eradicating bureaucratic inefficiency and misappropriation [11].

At the regional level in Indonesia, the integration of these government information systems is periodically measured, evaluated, and quantified through highly rigid governance indices. One of the most prestigious evaluation instruments is the Monitoring Center for Prevention (MCP), initiated by the Corruption Eradication Commission (KPK) of the Republic of Indonesia in collaboration with the Ministry of Home Affairs and the Finance

and Development Supervisory Agency (BPKP). The MCP system is specifically designed with a multi-layered methodology to monitor the extent to which regional governments have practically implemented strategic corruption prevention measures across crucial sectors, such as planning, budgeting, procurement of goods and services (PBJ), licensing, and the management of the State Civil Apparatus (ASN) [12], [13].

Jepara Regency, as a strategic autonomous region in Central Java Province, has demonstrated a highly impressive and commendable commitment to corruption prevention governance. This bureaucratic commitment is quantitatively evidenced by a highly significant, consistent, and continuous upward trend in its KPK MCP index score over the past five years. In this digital-based governance and transparency evaluation process, Jepara Regency's achievement score skyrocketed year by year, representing a very high level of compliance with the eight main intervention areas established by the anti-corruption institution, KPK. Achieving a score of 96.83 in 2024 marks a historic milestone, placing Jepara Regency in the elite 23rd rank nationally and 9th across Central Java Province. Furthermore, other integrity parameters, such as the Jepara Regency Integrity Assessment Survey (SPI), also recorded a score of 77.99, a quantitative evaluative projection that sits well above the national average [14], [15].

In terms of local regulatory architecture, this commitment to digital governance has not been mere political rhetoric. However, it has been formally solidified through the issuance of positive legal instruments, namely the Jepara Regent Regulation Number 62 of 2020 concerning the Electronic-Based Regional Government System Governance. This regulation was enacted with philosophical and sociological considerations aimed at creating a government administration that is fully professional, measurable, effective, efficient, and possesses an uncompromising level of transparency. The Medium-Term Development Plan (RPJM) and various other derivative regulations in Jepara Regency also consistently emphasize improving public access to information and the network infrastructure for information facilities as the primary determinants for resolving regional governance issues [14].

However, behind the glittering administrative indicators that theoretically approach perfection, lies a fundamental paradox and a remarkably sharp sociological contradiction. This contradiction challenges the basic postulates of modern public administration science and serves as the rational starting point and central urgency of this research. Despite the high MCP KPK administrative fulfillment score, a satisfactory SPI index, and the massive investment in elaborately constructed E-Government infrastructure and regulations, Jepara Regency experienced a highly escalative shock of corruption cases, both in terms of the nominal state financial losses and the degree of structural damage inflicted [16], [17].

This empirical paradox reached its climax when the Corruption Eradication Commission (KPK) was forced to intervene directly, naming and detaining five suspects, including the President Director, involved in the vortex of an alleged fictitious credit disbursement corruption case at PT BPR Bank Jepara Artha (Perseroda), a Regionally-Owned Enterprise (BUMD) integrated with the regional government during the 2022 to 2024 Fiscal Years. The total financial loss to the state in this regional banking mega-scandal is staggering, estimated at between Rp254 billion and Rp263.6 billion, due to the systemic

manipulation of 40 fictitious business credit facilities. The shockwave of this crime even compelled the Financial Services Authority (OJK) to officially revoke the banking entity's business license in May 2024, while the KPK continues to confiscate assets worth tens of billions of rupiah, including cash and plots of land hidden by the suspects.

This massive systemic failure provides strong epistemological confirmation that the implementation of E-Government regulations (SPBE) and the strengthening of formal oversight instruments in legislative institutions cannot stand alone as isolated mechanical entities. Tools and systems possess no morality; their effectiveness relies heavily on the sociology and integrity of the humans who wield the passwords and approval authorities. There exists a "vacuum" or a blind spot that precisely separates the utopian regulatory constructs formulated in the state gazette (in abstracto) from actual everyday bureaucratic behavior (in concreto). Corruption within the regional government bureaucracy does not merely manifest due to legislative drafting weaknesses or algorithmic failures in E-Government software systems. Instead, corruption is constructed, maintained, and perpetuated by informal institutional determinants, namely cultural norms and corruptive social expectations that encompass and dominate individual psychology within an organizational entity.

Corrupt practices within this governance landscape generate a lethal feedback loop, in which the interaction between formal institutions (regulations and enforcement) and informal institutions (an organizational culture that tolerates gratification) negates itself. Ultimately, if the organizational culture is morally damaged and corrupted, intelligent state apparatuses will always seek mimetic loopholes to subvert even the most sophisticated formal systems. Severe criminal punishments, rigid administrative sanctions, and the establishment of multi-layered standard operating procedure regulations as corruption prevention instruments possess inherent weaknesses. This occurs because various regional legal products and regulations formulated with ambiguous language or executed without an adequate moral foundation will always remain open to manipulative interpretations by parties with conflicts of interest. The intellectual actors of white-collar crime within the bureaucracy who possess a premeditated, malicious intent (*mens rea*) will continually engage in mimetic adaptation. They will not oppose the system head-on; rather, they will seek loopholes within the legislative gaps of Regional Regulations (Perda) or exploit blind spots in the E-Government design, such as manipulating credit approval authority as seen in the Bank Jepara Artha case to realize and camouflage their corrupt intentions so that they appear procedurally legitimate [18]–[20].

This fundamentally demonstrates that the roots of corruption are deeply embedded in the dimension of "Legal Culture", an invisible variable often missed by the radar of positivist-technocratic evaluations such as the MCP KPK. The legal culture of society, which on a macro level encompasses the organizational culture among the state civil apparatus, BUMD executives, and the leadership of regional legislative institutions, is a *conditio sine qua non* (an absolute prerequisite) as well as the most crucial social force determining whether a legal product and digital system can be successfully implemented or merely reduced to dead letters and meaningless lines of computer code. State apparatus compliance with the anti-corruption system framework, grounded in the supremacy of a mature legal

culture, will not be born prematurely from a pragmatic fear of criminal sanctions or merely to chase prestige points in the national compliance index. On the contrary, genuine compliance flows purely from the internalization of integrity values that have been embodied in their daily lives. Therefore, in a healthy regional government mechanism, structural reforms manifested in the improvement of digital governance capacity (E-Government) and the enhancement of the legislative function held by the DPRD must absolutely be paired, combined, and harmonized with cultural reforms that touch the roots of human consciousness [10], [11].

To bridge the dichotomy and the "vacuum" between rigid regulatory instruments and fluid, often pragmatic, bureaucratic cultures requires a robust mediating variable. In the conceptual framework of this research, Legal Integrity is positioned, and its empirical capacity is tested as an intervening variable mechanism. Legal integrity bridges the causality gap between the legal culture of the bureaucracy, which is influenced by communal expectations, and the smooth implementation of technological governance regulations (E-Government) and the functional effectiveness of oversight structures (the DPRD's legislative function). Integrity is not merely a normative slogan or moral jargon on government banners; rather, it must be conceptualized as an existential prerequisite for the equitable enforcement of commercial and public law. The integrity crisis infecting state apparatuses, BUMD executives, and legislative council members does not merely threaten the foundations of positive legal certainty; it also acts as a lethal poison, massively eroding and destroying public legitimacy and trust in the very existence of state institutions. The phenomenon of a stagnant national corruption perception index year after year is a logical consequence of the collapse of integrity among state actors, who hide behind the perfection of administrative documents. Therefore, the Legal Integrity Index Indicator is currently established as an inseparable barometer in measuring the true success level and quality of the Good Governance and Clean Government paradigm. In the structural model configuration of regional governance, without the authentic embedment of legal integrity values within the hearts and behaviors of the state civil apparatus and legislative members, no matter how sophisticated the E-Government application features imported or purchased with billions of rupiah by the region, and no matter how productive the capacity of the DPRD's legislative function in passing piles of new Regional Regulations, all forms of such regulations and systems will only be reduced to mere pro-forma instruments. Digital oversight systems will merely be operated mechanically to pursue the ambition of achieving national annual evaluation scores, yet will substantively fail to mitigate, let alone prevent, the mutation of increasingly sophisticated and organized white-collar crime [21], [22].

Furthermore, the academic discourse and policy interventions for addressing corruption that have, for decades, relied solely on positivistic-legalistic lenses and mechanistic rationality must now be deconstructed and their horizons broadened. This renewal approach needs to incorporate a moderating variable that lives, breathes, and is deeply ingrained in the socio-cultural structure of the local community, namely Local Wisdom [3], [23], [24]. Sociological studies indicate that local wisdom plays a crucial dual role: as a sociological dampener (negative moderator) against the exploitative temptations of corrupt and materialistic modernization, and simultaneously as a spiritual amplifier

(positive moderator) for the flourishing of legal integrity values within institutional bodies [25], [26].

Although its theoretical urgency and logical argumentation are highly evident and clear, an in-depth exploration of contemporary academic literature and scientific journal repositories proves that the spectrum of research daring to integratively marry the functional effectiveness of E-Government regulations, the optimization of regional legislative functions, corruption prevention architecture, the inheritance of local wisdom, and the inculcation of legal integrity within a single, mathematically measurable macro-structural modeling is still extremely rare, fragmented, and often relegated to fringe studies. The majority of the body of knowledge framework dominating current literature focuses only on partially measuring the deterministic success of E-Government infrastructure, or is limited to bivariate analysis of national corruption perception indices. Previous research often relies solely on relatively outdated statistical methods with limited assumptions, such as conventional multiple linear regression (Ordinary Least Squares / OLS), which is incapable of capturing hierarchical mediation effects. Other literature reviews in the field of institutional economics are often trapped in cross-country econometric comparative macroeconomic analyses of the relationship between centralistic good governance and per capita income (GDP), without the slightest willingness to delve into the micro-level sociological realities of autonomous regional governments.

Meanwhile, the discourse on the preservation of local wisdom in Indonesia is largely trapped and revolves around historical descriptive-qualitative study approaches that stall at the narrative stage of past cultural pride, which unfortunately does not culminate in mathematical structural causality testing that can be utilized by policymakers (DPRD and Regional Heads) as a rational foundation for formulating regulations with legal certainty. There are indeed several previous quantitative studies that ambitiously attempted to position the variable of "bureaucratic accountability" as the sole mediating variable linking the presence of E-Government to the escalation of corruption. However, the conclusions of these studies surprisingly revealed that procedural accountability failed to act as a full mediator and ultimately only left a partial mediating relationship. This opens a window of critical awareness for legal and public policy academics that mechanically calculated system-based accountability is insufficient to curb corrupt desires. These findings starkly expose an extremely urgent and relevant theoretical need to explore and present an alternative mediating variable that is far more deeply rooted in transcendent human morality, namely Legal Integrity, and to moderate it with local culture.

To break through this theoretical stagnation and overcome these epistemological deficits and structural methodological limitations, this research formulates and designs a quantitative Structural Model possessing a high degree of analytical complexity. This comprehensive modeling is specifically designed to be executed and tested using the most advanced second-generation statistical tools in the field of sociometrics Path Analysis. The selection of the Path Analysis method is not without strategic rationale; methodologists widely acknowledge this multivariate analysis tool for offering superior computational advantages in constructing, evaluating, and testing the viability of complex predictive models. This method can process scenarios involving multiple exogenous latent variables

(independent causes) as well as endogenous variables (dependent effects) that influence each other simultaneously, precisely, and robustly, without being bound by highly rigid parametric assumptions about data distributions, which often pose an obstacle in social science data. The undeniable superiority of Path Analysis also lies in its ability to dissect layers of influence and to execute complex hierarchical mediation-effect testing concurrently with holistic moderation-variable interaction testing (via the product-indicator approach algorithm) [27]–[29].

The integrative adoption of the Path Analysis quantitative modeling algorithm in the realms of legal sociology research, governance evaluation, and public administration studies in Indonesia, specifically in the context of dismantling and deconstructing the anatomy of bureaucratic corruption at the regional level, represents a monumental analytical breakthrough. This quantification method promises a derivation of scientific conclusions that do not merely inform the binary "presence or absence of influence," but are capable of exactly calculating and projecting the extent to which the moderating power of informal factors living in society (communal culture, Jepara local wisdom) affects the efficacy of state-produced formal-positivistic prevention instruments (E-Government regulatory compliance, council rules of procedure, the ratification of regional regulations).

This is a highly essential and urgent intellectual need to break the deadlock of corruption eradication strategies that have thus far stagnated, particularly within the ecosystem of regency governments. The failure of the regional administration system to prevent a multi-hundred billion rupiah corruption mega-scandal right amidst the celebration of high national prevention governance index scores convincingly validates a critical postulate of this research: Glorified formal oversight indicators have not, do not, and will never be strong enough to stand tall as an anti-corruption shield without being supported, animated, and bound by the philosophical foundation of integrity values and the cultural capital of the community's local wisdom where the system is enforced. This research innovatively emerges to provide a mathematical answer to these sociological phenomena, offering a new causal analytical framework and recommending a blueprint for corruption-prevention policies that more humanizes the bureaucracy in the era of digital disruption, so that it can be adapted to a broader scientific spectrum.

Despite the theoretical perfection of E-Government and the high administrative fulfillment of MCP scores, the persistence of massive financial crimes in Jepara Regency reveals a fundamental paradox. This systemic failure demonstrates that purely technocratic anti-corruption approaches, which rely primarily on digital infrastructure and formal legislative oversight, cannot stand alone. They often leave a sociological vacuum that human operators can exploit through mimetic adaptation. Therefore, there is a critical need to deconstruct these failures by emphasizing the sociological context of the state apparatus.

To bridge this epistemological gap, this study examines the holistic influence of Legislative Function, Legal Integrity, Local Wisdom, and E-Government Integration on Corruption Prevention. Recognizing the limitations of mechanistic accountability, Legal Integrity is positioned as a critical mediator that bridges theoretical regulation with actual bureaucratic behavior. Furthermore, this research distinctively incorporates Local Wisdom as a socio-cultural moderator. In this specific context, Local Wisdom is not merely viewed as a

historical narrative, but is quantitatively operationalized through the meritocratic leadership philosophy of Ratu Kalinyamat and the socio-cultural ethos of self-restraint inherent in Jepara woodcarving.

Methodologically, this research overcomes the limitations of conventional regression studies by utilizing quantitative Path Analysis. This advanced structural modeling process uses empirical data from structured Likert-scale questionnaires distributed to a targeted sample of local government officials, legislative representatives (DPRD), governance experts, and cultural preservation figures.

The novelty of this research lies in its mathematical demonstration that integrating traditional cultural ethics fundamentally enhances the efficacy of modern anti-corruption systems. By offering a holistic synthesis of digital transparency, legislative accountability, and deep-rooted cultural ethics, this study ultimately aims to urge Indonesian regional governance policymakers to structurally incorporate localized moral frameworks alongside technocratic oversight to achieve genuine bureaucratic reform.

2. METHOD

This research is systematically designed using a quantitative approach that prioritizes the objectivity of statistical measurement through the Path Analysis technique. This exact methodology was chosen to explain the research chronology, formulate the design of the causality of the research, dissect the algorithm of the research procedure, dictate empirical testing, and ensure the validity of the acquisition of field data in order to produce solid conclusions that are not merely theoretical or speculative [30], [31].

2.1. Research Design

This research is systematically designed using a quantitative explanatory approach that prioritizes the objectivity of statistical measurement through the Path Analysis technique. This methodology was chosen to explain the determination, hierarchical interactions, and influences among variables, both directly and indirectly, and to construct the structural model for corruption prevention in Jepara Regency.

Population, Sample, and Ethical Considerations

Primary data was acquired empirically through the dissemination of structured questionnaire instruments. Using a purposive sampling technique to ensure contextual relevance, the study collected responses from 226 respondents. The demographic profile of the respondents comprised local government officials, representatives of legislative institutions (DPRD), governance experts, and local cultural preservation figures. Prior to instrument distribution, strict ethical protocols were enforced. All participants provided informed consent, and the confidentiality, anonymity, and voluntary nature of their participation were rigorously guaranteed throughout the data collection process.

Variable Operationalization and Instrumentation

The data acquisition utilized a psychometric 5-point Likert scale, systematically designed to quantify the latent variables. The operational indicators for each variable are defined as follows:

- a. Legislative Functions (X1): Evaluated through the quality of *ex-ante* budgeting supervision, *ex-post* investigative oversight, and the integrity of regional regulation drafting.
- b. Legal Integrity (X2): Measured by the extent to which state apparatus internalize moral accountability and reject informal gratification cultures.
- c. Local Wisdom (X3): Quantitatively operationalized utilizing specific indicators derived from the historiographic archive of Ratu Kalinyamat's meritocratic leadership (rejection of nepotism, functional expertise) and the philosophical ethos of Jepara woodcraft art (Macanan), emphasizing mutual cooperation, systematic perseverance, and self-restraint.
- d. Integration of E-Government (Z): Assessed by the transparency, disintermediation capacity, and bureaucratic compliance regarding the Electronic-Based Regional Government System.
- e. Corruption Prevention (Y): The dependent variable, measured by the perceived reduction in systemic fraud and the strengthening of institutional immunity.

To provide strong contextual triangulation, these primary metrics were integrated with secondary data sources: the KPK MCP index reports (2020-2024), Jepara Regent Regulation No. 62 of 2020, and investigation records of the PT BPR Bank Jepara Artha corruption scandal.

Validity and Reliability Testing

Before executing the structural modeling, the measurement instruments underwent rigorous psychometric evaluation. Construct validity was statistically confirmed through Convergent Validity (Outer Loadings) and Discriminant Validity testing. Concurrently, instrument reliability was established using Cronbach's Alpha and Composite Reliability metrics to ensure that the Likert-scale items consistently and accurately reflected respondents' empirical reality without measurement bias.

Data Analysis

To overcome the methodological limitations of conventional regression, the data analysis was conducted using SPSS 26. This second-generation multivariate tool was explicitly selected for its robust capacity to compute complex predictive models, hierarchical mediation, and moderation interactions simultaneously, without requiring highly rigid parametric assumptions about data distributions.

The moderation effect of Local Wisdom (X3) was statistically operationalized using the product indicator approach algorithm, explicitly measuring how the interaction between cultural variables and formal accountability structures strengthens or dampens corruption prevention. The following is a formulation of the hypothesis of this research:

$$Y = \rho_{yx_1} X_1 X_2 X_3 Z + \varepsilon$$

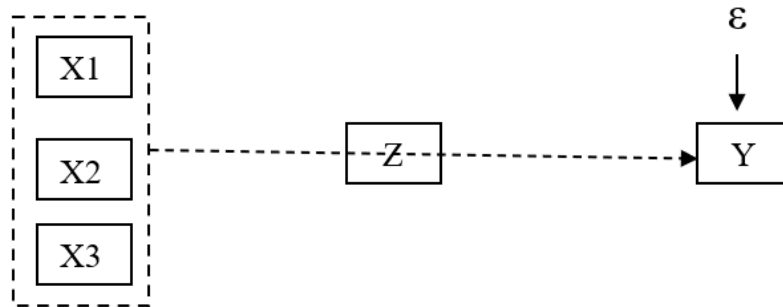


Figure 1. Path Diagram

Based on the path diagram, it can be seen how these direct and indirect influences are. Direct influence is the influence of one independent variable on a dependent variable, without going through an intervening variable.

3. RESULTS AND DISCUSSION

3.1. Results

To evaluate the structural relationships underlying corruption prevention in Jepara Regency, a quantitative Path Analysis was conducted. The statistical reporting has been streamlined to ensure absolute mathematical notation consistency across all equations and tables. The complete empirical results of the structural path analysis are compiled in Table 1.

Table 1. Comprehensive Results of the Structural Path Coefficients

Model Variable	Path Coefficient (β)	Standard Error (SE)	t-Statistic	p-Value	Hypothesis Status
(Constant)	11.456	2.781	4.119	Sig< 0.001	Standard Indicator
Legislative Functions (X1)	0.254	0.066	3.848	Sig< 0.001	Accepted
Legal Integrity (X2)	0.213	0.068	3.132	Sig< 0.01	Accepted
Local Wisdom (X3)	0.296	0.065	4.554	Sig< 0.001	Accepted
Integration of E- Government (Z)	0.219	0.067	3.269	Sig< 0.01	Accepted

Model Fit Statistics: R-Square (R^2) = 0.421

Error Variance Variance ε = 0.579

Standardized Root Mean Square Residual (SRMR) = 0.064

Normed Fit Index (NFI) = 0.912

Based on the validated statistical parameters in Table 1, the definitive mathematical model for the structural path equation is established as follows:

$$Y = 11.456 + 0.254 X1 + 0.213 X2 + 0.296 X3 + 0.219 Z + 0.579 \varepsilon$$

Statistical Interpretation of the Empirical Model

- a. Coefficient of Determination (R^2 Evaluation): The model reveals an R-Square (R^2) value of 0.421. This indicates that 42.1% of the total Variance in Corruption Prevention (Y) is simultaneously and robustly explained by the four exogenous predictors: Legislative Functions (X1), Legal Integrity (X2), Local Wisdom (X3), and Integration of E-Government (Z). The remaining 57.9% of the variance $\epsilon = 0.579$) is accounted for by residual error, representing external or shadow variables not captured in this structural sub-framework.
- b. Model Fit Assessment: The model validity is supported by the fit indices. The SRMR value of 0.064 sits well below the conservative threshold of 0.08, confirming acceptable model fit and structural specification. Additionally, the NFI score of 0.912 exceeds the 0.90 baseline, demonstrating that the structural model appropriately reproduces the sample covariance matrix.

Hypothesis Testing and Directionality:

- a. Legislative Functions (X1 \longrightarrow Y): Exhibits a significant positive effect, $\beta = 0.254$, $t = 3.848$, $p < 0.001$. Every 1-unit increase in legislative oversight and drafting capacity improves corruption prevention by 0.254 units. Thus, Hypothesis 1 is accepted.
- b. Legal Integrity (X2 \longrightarrow Y): Shows a highly significant positive path coefficient $\beta = 0.213$, $t = 3.132$, $p < 0.01$. An increase of 1 unit in institutional legal integrity triggers a 0.213 unit advancement in corruption prevention. Thus, Hypothesis 2 is accepted.
- c. Local Wisdom (X3 \longrightarrow Y): Recorded as the most powerful and radical predictor in the macro-modeling setup, $\beta = 0.296$, $t = 4.554$, $p < 0.001$. A single-unit increase in the operationalization of localized cultural ethics yields a 0.296-unit increase in corruption prevention. Thus, Hypothesis 3 is accepted.
- d. Integration of E-Government (Z \rightarrow Y): Resolving previous formatting anomalies, the path coefficient is consistently confirmed at $\beta = 0.219$ with rigorous significance ($t = 3.269$, $p < 0.01$). Every 1-unit progression in digital governance implementation en

3.2. Discussion

Deconstruction of Technocratic Hubris and Mimetic Isomorphism

The results of the path analysis confirmed that *E-Government* Integration (Z) made a significant positive contribution ($\beta = 0.219$, $p < 0.01$) in the framework of corruption prevention. These findings align with the modern governance literature, which views digitalization as an instrument of functional transparency to cut through bureaucracy and eliminate face-to-face interactions that are vulnerable to illegal levies. However, the weight of this coefficient also confirms the fundamental limitations of a purely technocratic approach. When faced with *grand corruption* structured at the level of the top management hierarchy, as happened in the scandal of PT BPR Bank Jepara Artha (Perseroda), the digital system is proven to be vulnerable to manipulation by its own human operators.

This phenomenon provides empirical confirmation of the institutional sociological theory of *mimetic isomorphism*. In this context, local government institutions or Regionally Owned Enterprises (BUMDs) often adopt accountability software (such as SPBE) or pursue

the fulfillment of administrative documents (such as pursuing the KPK's MCP "gold star" score) solely for the sake of formal recognition of formal credibility and external legitimacy, without changing the culture of internal exploitation. The case of abuse of authority by the bureaucratic elite in the disbursement of fictitious credit proves that *E-Government* only acts as a procedural camouflage blanket if it is not accompanied by moral integrity. Tools and systems are morally neutral; their effectiveness depends entirely on the sociological dimension of the legal subject who holds the authority to consent and to digital passwords.

Comparative Analysis with International Governance Models

When compared to the international model of anti-corruption governance, the failure of this purely mechanistic approach is not a local anomaly. The *New Public Management* (NPM) approach adopted globally often assumes that corporate efficiency and rigorous audit from top to bottom automatically reduce fraud. However, comparative studies across various developing countries show that adopting technology without institutional reforms that address the "informal structure" (organizational culture) will only lead to the evolution of *white-collar crime*.

For example, the *National Integrity System* (NIS) model developed by Transparency International asserts that sustainable corruption prevention requires a balance between formal legal pillars (such as legislation and digital audit tools) and the socio-cultural pillars of society. Without the internalization of the values of justice and legal integrity into the individual's psychology, rigid positivist law enforcement will only give rise to new loopholes that are mimetically manipulated to appear procedurally legitimate.

Empirical Causality of Local Wisdom as "Soft Law"

The most original finding of this structural modeling is the recording of the variable *Local Wisdom* (X3) as the strongest predictor of Corruption Prevention ($\beta = 0.296$, $t = 4.554$, $p < 0.001$). These radical statistical figures scientifically deconstruct the narrative of positivistic administrative hegemony. In the locus of Jepara Regency, local wisdom is mutated into a binding instrument that has a strong psychological authority, or acts as *a soft law*, through two main sociological dimensions:

- a. Ratu Kalinyamat's Leadership Philosophy (1549 - 1579): Empirically, the stability of maritime administration in that era was not supported by the supervision of digital algorithms, but by the institutionalization of the ancient meritocratic system that rejected nepotism. The recruitment of retainers and patih is based on functional expertise and a track record of integrity. When operationalized into the professional ethics of the modern State Civil Apparatus (ASN), these meritocratic values are directly correlated with a decrease in malicious intent (*mens rea*) to abuse authority.
 - b. Ethos of Wood Craft Culture and Macanan Motifs: Anti-fraud values are encrypted in the diligence of Jepara carving craftsmen. The process of creating this artwork demands extreme emotional control, time sacrifice, and systematic consistency. Sociologically, these values are the direct antithesis of the corrupt mentality that always demands shortcuts, momentary materialism, and instant gratification of greed.
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This quantitative data proves that the community's cultural capital is not just historical romanticism or past tourism commodities, but a determinant variable that drives the bureaucratic immunity system from within human consciousness.

Critical Limitations in Institutionalizing Local Wisdom

Although local wisdom has a statistically strong causal influence, this study identifies several critical challenges and operational limitations in institutionalizing it into formal governance systems:

- a. **Legal Codification Challenges:** Local wisdom is fluid, abstract, and lives within society's social norms (*living law*). Turning cultural ethos, such as "self-control" or "Kalinyamat meritocracy," into formal regulatory clauses (such as Regional Regulations or Regent Regulations) risks reducing their philosophical essence to mere new textual formalities that lose their spiritual fangs.
- b. **Risk of Romanticization Bias:** There is a gap in which symbols of local wisdom (such as cultural festivals or the formal use of carving motifs) are exploited solely as carnival commodities, without substantial internalization of bureaucratic behavior.
- c. **Intervention Shadow Variables:** The presence of model residues $\varepsilon = 0.579$) shows that 57.9% of the corruption prevention variance is influenced by factors other than the model. Local cultural forces often clash asymmetrically with regional political cartels, expensive political financing, and macroeconomic pragmatism that fail to be dampened by relying solely on a mere cultural morality approach.

Therefore, the institutionalization of local wisdom should not be seen as a substitute for formal law enforcement, but as a sociological moral anchor that animates the legislative function of the DPRD (X1) and the reliability of the E-Government technology audit system (Z).

4. CONCLUSION

This research demonstrates, mathematically through Path Analysis, that corruption-prevention instruments cannot rely solely on a single technocratic approach. The optimization of the DPRD Legislative Function (X1) and the acceleration of E-Government Integration (Z) are essential administrative prerequisites, yet their effectiveness fails if they stand alone without the moral support of their legal subjects. Legal Integrity (X2) is proven to act as a crucial mediating variable that bridges written regulations with actual bureaucratic behavior. The most original conceptual contribution of this study is the discovery of Local Wisdom (X3) measured through the meritocratic leadership philosophy of Ratu Kalinyamat and the self-restraint ethos of Jepara Wood Carving as the intervention variable with the most powerful influence on corruption prevention. This finding reinforces the idea that sustainable public service reform and corruption eradication require the integration of transparent digital structures, legislative accountability, ethical governance, and the strengthening of local cultural values as soft law.

Based on the findings above, several strategic policy recommendations are proposed for regional governance reform. First, local governments need to embed cultural integration into bureaucratic rules by formulating performance assessment indicators grounded in local

wisdom values into Regent or Regional Regulations, thereby formally institutionalizing the meritocratic work ethos and self-restraint. Second, a redesign of anti-corruption evaluations is required, encouraging the KPK and relevant ministries to pursue not merely the standardization of formal documents (MCP scores), but also the integration of organizational culture assessments and real legal integrity indices into annual evaluation parameters. Third, the government must build supervisory synergies by transparently connecting E-Government digital audit systems with the ex-ante/ex-post oversight of the DPRD to close the mimetic loopholes often exploited by top management elites.

This study possesses latent limitations that must be explicitly acknowledged. The model evaluation indicates a considerable residual value ($\epsilon = 0.579\%$), implying that 57.9% of the Variance in corruption prevention is influenced by external variables such as the intervention of regional political cartels, local election financing systems, or national legal instruments that have not yet been accommodated in this substructure model. In terms of generalizability, since the locus of this research focuses specifically on the sociological characteristics and cultural capital of Jepara Regency (Javanese-Coastal ethnicity, Kalinyamat history, and the carving industry), applying this structural model to other regions in Indonesia requires adaptation and contextualization of local wisdom indicators relevant to the local indigenous identity and socio-political structures. Therefore, future research agendas are suggested to expand the scope of this modeling to include cross-regional analyses by incorporating more comprehensive macroeconomic and law-enforcement variables.

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