

## Income Disparity between Legislative Institutions and the General Public in Relation to Social Welfare Aspects: A Comparative Study of Indonesia and Malaysia

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**Abstract:** Pancasila as the foundation of the Indonesian state upholds social justice for the people with the aim of equality in all areas, especially public income. However, recent research has found that the income gap between the Indonesian Legislative Institution and the Indonesian public is significantly different from that in Malaysia. This can certainly affect the welfare of the people in these countries. Therefore, the author analyzes and examines in more depth the income gap between the Legislative Institution and the public in Indonesia and Malaysia related to public welfare. This research uses a normative legal research type with a statutory approach, namely Law Number 12 of 1980, Government Regulation Number 75 of 2000, Letter of the Minister of Finance No. S-520/MK.02/2015, Circular Letter of the Secretariat General of the House of Representatives of the Republic of Indonesia No. KU.00/9414/DPR RI/XII/2010 and Regulation of the Secretary General of the People's Representative Council of the Republic of Indonesia Number 1 of 2024, and using comparisons, data sources are primary legal materials and secondary legal materials from books, journals, and legal dictionaries. The income gap between legislative and public institutions in Indonesia reaches 10x-14x, while in Malaysia it is 4x-5x. This gap causes social injustice and hinders public welfare. Therefore, the values of social justice in Pancasila do not function well in practice. It is necessary to strengthen Pancasila from an early age in shaping the character of Indonesian people. Citizenship Awareness and Social Justice.

**Keywords:** Income Gap; Public Welfare; Social Justice for All; Strengthening Pancasila.

### A. Introduction

The democratic system is enshrined in the fourth paragraph of the Preamble to the 1945 Constitution of the Republic of Indonesia (UUD NRI Tahun 1945), which reads:<sup>1</sup>

*"Thus, the Independence of the Indonesian Nation was established in the Constitution of the*

<sup>1</sup> Fourth paragraph of the Preamble to the 1945 Constitution of the Republic of Indonesia (UUD NRI Tahun 1945)

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*Republic of Indonesia, which was formed in the structure of the Republic of Indonesia, a sovereign state....”*

Democracy is closely related to the rule of law and is part of the socio-political movement. Occupying the top stratum can be an option for a country in providing the basic principles for the stability of a country. As part of the Southeast Asian region, Indonesia is one of the countries that embraces a democratic system. Indonesia itself implements a democratic system based on Pancasila, with social justice for all Indonesian people, and Pancasila has also been introduced as the basis of Indonesian society from an early age through civic education. Therefore, Pancasila democracy was chosen by the Indonesian state because of its ability to resolve social and political issues, whether they concern the interests of individuals within society, between communities, between society and the state, or between states. One of the conflicts of interest that often occurs is between society and the state, with the state in this case being the driving force behind the country. The main wheel in state institutions is held by the legislative body.

The institutions in Indonesia are divided into three types, namely:<sup>2</sup> a) The Executive Branch, which plays a role in implementing policies and administering the state; b) The Legislative Branch, which plays a role in forming, overseeing, and ratifying legislation; c) The Judicial Branch, which plays a role in the court system, ensuring the enforcement of laws and justice. The legislative branch, as the political representation in Indonesia, is certainly a great hope for the people, especially in Indonesia. The purpose of this is to prevent abuse of power and ensure accountability.<sup>3</sup> In contrast to the current situation on the ground, where demonstrations took place on Monday, August 25, 2025, over increases in allowances for members of the Indonesian House of Representatives and tax hikes amid a declining economy. On the other hand, the legislative body has not responded by evacuating the building and implementing Work From Home (WFH) for all members and staff. This directive is outlined in Circular Letter No. 2797/SEKJEN/08/2025 dated August 27, 2025, which was circulated on Thursday morning.<sup>4</sup> The issue of salaries has become the focus of demonstrations because the amounts received are not commensurate with the Indonesian economy. The income of the legislative body is 10 times the Jakarta minimum wage compared to the income of the Indonesian people, while in Malaysia it is only 3 times the income of its people. This creates social inequality for the Indonesian people.

The income gap between the community and the legislative body has led to the emergence of an elite class and a marginalized class. This situation threatens the welfare of the community. Several factors influence welfare, namely: social aspects, cultural values of mutual

<sup>2</sup> Max Ki, The Role of State Institutions in the Indonesian Government System, 2025, <https://umsu.ac.id/berita/peran-lembaga-lembaga-negara-dalam-sistem-pemerintahan-indonesia/>.

<sup>3</sup> Satriya Nugraha, Legislation and Democratization: The Role of Legislation in Building Democracy in Indonesia, *Morality: Journal of Law* (9), No. 2 (December 2023): 353-361 (353-354), <http://dx.doi.org/10.52947/morality.v9i2.487>.

<sup>4</sup> Ninda Iswara TribunNewsmaker.com, DPR Response to Violent Demonstrations, Urging WFH and Use of Civilian License Plates, Ahmad Sahroni: It's Difficult Everywhere, 2025, <https://newsmaker.tribunnews.com/2025/08/29/respon-dpr-terkait-demo-ricuh-imbau-wfh-hingga-pakai-pelat-sipil-ahmad-sahroni-ke-mana-mana-susah?page=2>.

assistance, the environment, and high economic pressure.<sup>5</sup> The economic squeeze is being felt by the public, from the difficulty of finding work, declining incomes, and reduced purchasing power. However, the government has not responded well and has prioritized increasing the income of the legislative body, particularly the Indonesian House of Representatives. Of course, the income gap will further exacerbate the welfare of the Indonesian people. The income gap between the legislative body and the Indonesian people is a crucial issue that affects the welfare of the people. Judging from Indonesia's Gross Domestic Product (GDP), which ranks 7th out of 11 in Southeast Asia, it is still far from prosperous. This is in contrast to Malaysia, which ranks 3rd out of 11 in terms of GDP in Southeast Asia.<sup>6</sup>

This research is a community effort to analyze the truth of the conditions on the ground related to the welfare of the Indonesian people. The study also uses a comparative study that will analyze the income of people's representatives in Malaysia based on the similarity of the regional contours, namely the Asian region. Unlike other studies, this study examines the legal basis for the provision of salaries to legislative institutions, while other studies have focused more on the relationship between economic inequality and educational attainment. However, this study is also linked to the basis of Pancasila education as a learning foundation for the Indonesian people in understanding the state and upholding the rule of law in Indonesia.

This shows that the disparity between the income of state institutions and the community affects the welfare of the community. Therefore, the author analyzes and examines in depth the regulations on the income of legislative institutions based on a comparison between Indonesia and Malaysia, how this disparity affects the welfare of the community, and what role Indonesia, based on Pancasila, plays in raising awareness among Indonesian citizens about the welfare of their fellow citizens.

## B. Research Method

This research uses the normative legal research type with a statutory approach, which examines legislation related to the income of legislative bodies, and a comparative approach. The comparison used is between regulations concerning the amount of income of legislative bodies in Indonesia and Malaysia. This study uses secondary data as its main source, consisting of primary legal materials such as Law Number 12 of 1980 and its implementing regulations and other derivatives, as well as the Members of Parliament (Remuneration) Act 1980 (Act 237) and other amendments. Other secondary data sources include books, journals, and websites, supported by tertiary data sources such as Indonesian language dictionaries, legal dictionaries, and online media.

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<sup>5</sup> Arif Safa Maulana, et al. The Meaning of Welfare in the View of Marginalized Communities: An Ethnographic Study in Poor Urban Areas, *JALHu: Jurnal Al Mufaddid Humaniora* 11, No. 1, (2025): 44-53 (45), <https://doi.org/10.58553/jalhu>.

<sup>6</sup> Insan Bablast, Indonesia's Economic Ranking in Asia and the World in 2025: Will Indonesia Be a Poor Country?, 2025, <https://www.bablast.id/artikel/peringkat-ekonomi-indonesia-di-asia-dan-dunia-2025-apakah-indonesia-termasuk-negara-miskin>.

## C. Discussion and Analysis

### 1. Pengaturan Penghasilan Lembaga Legislatif Negara Indonesia dan Negara Malaysia

Based on Article 1 paragraph 30 of the 1945 Constitution of the Republic of Indonesia, as a country based on the rule of law, every action is governed by law. This includes the amount of income earned by the legislative institution, which is also regulated by law. This is stated in:<sup>7</sup>

1. Law Number 12 of 1980, the legislative body, in this case the House of Representatives (DPR), is categorized as a Member of the State High Council. The components of income earned by officials of the Legislative Body in Indonesia are outlined in Article 3, namely 1) basic salary, 2) position allowance, 3) allowance for Civil Servants (PNS), 4) official travel, 5) health insurance and death benefits.
2. Government Regulation No. 75 of 2000 regulates in more detail the basic income earned by legislative institutions. The amount is adjusted according to the position held, ranging from 4.2 to 5.6 million, and does not include other income components.<sup>8</sup>
3. Ministry of Finance Letter No. S-520/MK.02/2015, approving several allowances given to legislative officials based on a proposal from the House of Representatives' Administrative Affairs Agency (BURT), consisting of: 1. Honorary allowance in the amount of IDR 5.5 million – IDR 6.6 million; 2. Intensive communication allowance in the amount of IDR 15.5 million – IDR 16.5 million; 3. Allowance for improved oversight and budgeting functions in the amount of IDR 3.7 million – IDR 5.2 million; 4. Electricity and telephone subscription assistance in the amount of IDR 7.7 million. This Ministerial Decree is not an order, but rather a guideline for the provision of allowances. The allowances referred to in the Minister of Finance's Decree are the same as those stipulated in Law No. 12 of 1980.
4. Circular Letter of the Secretariat General of the House of Representatives of the Republic of Indonesia No. KU.00/9414/DPR RI/XII/2010: Regulates family allowances, positions, assistants, etc., in accordance with the preceding regulations above. The income of the legislative body does not only come from basic salaries but also allowances, facility assistance, allowances for wives and children, as well as taxes on their income.
5. Regulation of the Secretary General of the Indonesian House of Representatives Number 1 of 2024 concerning official travel of the Secretary General of the Indonesian House of Representatives. This regulation reconstructs the bureaucracy involved in submitting official travel requests and the transportation used. In this case, the government strengthens audits within the legislative body based on legal grounds. Several changes in the related regulations are: a) submission procedures, b) accountability, c) structure and scope, d) procedural efficiency, e) adjustments to higher regulations.<sup>9</sup>

Several of the above regulations explain the income earned by the legislative body. It can therefore be concluded that the income of the legislative body can be estimated at 54.3 million to 70 million per month. With the same geographical location in Asia, Indonesia and Malaysia

<sup>7</sup> Article 2 and Article 3 of Law Number 12 of 1980 Law Number 12 of 1980 concerning the Financial/Administrative Rights of Leaders and Members of the Highest/Highest State Institutions and Former Leaders of the Highest/Highest State Institutions and Former Members of the Highest State Institutions.

<sup>8</sup> Article 1 letters a, b, c, and d of Government Regulation (PP) Number 75 of 2000 concerning the Basic Salary of Leaders of the Highest/Highest State Institutions and Members of High State Institutions as well as Honorary Allowances for Members of the Highest State Institutions.

<sup>9</sup> Regulation of the Secretary General of the House of Representatives of the Republic of Indonesia Number 1 of 2024 concerning official travel of the Secretariat General of the House of Representatives of the Republic of Indonesia.

have many similarities and are close to each other. However, in terms of government, Indonesia and Malaysia adhere to different systems but still have the same main duties and functions. Malaysia, as a constitutional monarchy, also has regulations regarding the legislative body known as the Malaysian Parliament (Parlimen Malaysia). With a bicameral system, it certainly has parliaments consisting of:<sup>10</sup>

1. House of Representatives

It consists of 222 members elected through general elections. Its duties and functions are almost the same as those of the House of Representatives (DPR RI), namely formulating laws, approving budgets, overseeing the government, and appointing the prime minister.

2. (Senate / Upper House)

It consists of 70 members, 26 of whom are elected by the State Legislative Assembly and the remaining 44 are appointed by the Yang di-Pertuan Agong on the advice of the Prime Minister. Its duties and functions are to review regulations that have been passed by the People's Assembly.<sup>11</sup>

3. The Yang di-Pertuan Agong

The king is the head of the constitutional parliament. As Malaysia is a monarchy, the king holds supreme power. His authority includes approving laws, appointing the prime minister, and dissolving parliament.<sup>12</sup>

All of the above institutions will be discussed with a focus on the Dewan Rakyat (House of Representatives). According to the Malaysian Parliament website, the income of the Dewan Rakyat consists of a monthly salary and allowances determined based on the position held. Members of parliament (Dewan Rakyat) receive a monthly income of RM16,000, plus allowances that include:<sup>13 14</sup>

1. Meeting allowance;
2. Entertainment allowance (approximately RM2500);
3. Special payment allowance;
4. Monthly travel allowance;
5. Driver allowance;
6. Meal allowance;
7. Daily living allowance;
8. Mobile phone allowance (approximately RM2000 or computer allowance approximately RM6000);<sup>15</sup>

<sup>10</sup>Ipendidikan.my, Characteristics of Malaysia's Parliamentary Democracy System, 2025, <https://www.ipendidikan.my/demokrasi-berparlimen.html>.

<sup>11</sup>Annisa Fianni Sisma, Understanding the Royal Parliament, Malaysian Government System, 2022, <https://katadata.co.id/berita/internasional/6360b144652cc/memahami-parlementer-kerajaan-sistem-pemerintahan-malaysia>.

<sup>12</sup>Ipendidikan.my. Op.Cit.

<sup>13</sup>Lee Kah Kei, Jie Yee Ku, Muhammad Bahari, Berapa Gaji Anggota Parlemen di Malaysia, dan Membedah CDF (FLY x Ypol: Bagian 2), 2022, <https://www.flymalaysia.org/how-much-does-a-member-of-parliament-in-malaysia-make-and-unpacking-cdfs-fly-x-ypol-part-2/>

<sup>14</sup>First Schedule & First Schedule Orders, Members of Parliament (Remuneration) Act 1980 (Akta 237)

<sup>15</sup>IDEAS, CDF Law Needed to Prevent Abuse of Power and Ensure Equitable Allocation, 2021, website: <https://www.ideas.org.my/cdf-law-needed-to-prevent-abuse-of-power-and-ensure-equitable-allocation/>

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The total allowance above is adjusted according to the number of requirements, the position held, and the work program agenda being carried out. The nominal allowance itself can reach approximately RM 25,700 per month.

Based on the explanation above, it can be summarized in terms of percentage comparison. Indonesia has the highest minimum wage in Jakarta, which is IDR 5,067,381, as stipulated in DKI Jakarta Governor Decree No. 829 of 2024. Therefore, the income of members of the Legislative Body is 10 to 14 times higher than the minimum wage in Jakarta. Meanwhile, in Malaysia, the ratio between the income of parliament members and the general public is approximately 4 to 5 times the average income of Malaysians, which is RM8,479 per month. This comparison is also presented in the table below to facilitate comparison between the two countries, as summarized below:

**Table 1. Comparison of Income Earnings of Legislative Institutions in Indonesia and Malaysia**

Distinguishing Features	Indonesia	Malaysia
Regulations	<ol style="list-style-type: none"> <li>1. Law Number 12 of 1980</li> <li>2. Government Regulation No. 75 of 2000</li> <li>3. Letter of the Minister of Finance No. S-520/MK.02/2015</li> <li>4. Circular Letter of the Secretary General of the House of Representatives of the Republic of Indonesia No. KU.00/9414/DPR RI/XII/2010</li> <li>Regulation of the Secretary General of the House of Representatives of the Republic of Indonesia No. 1 of 2024</li> <li>5. Republic of Indonesia No. 1 of 2024</li> </ol>	<ol style="list-style-type: none"> <li>1. Members of Parliament (Remuneration)(Amendment) Act 2015</li> <li>1. Members of Parliament (Remuneration) (Amendment) Bill 2014</li> <li>2. Members of Parliament (Remuneration) Act 1980 (Akta 237)</li> </ol>
Salary Amount	54.3 million – 70 million/month	RM 41,600
Community Salary	Jakarta minimum wage is IDR 5,067,381 per month	Average RM 8,479 per month
Income Comparison	10x – 14x Fold	4x – 5x Fold

*Source: Author conclusion, from collected data*



## 2. Income Inequality and Social Justice in Community Welfare: Analysis Based on the Theories of John Rawls and Mary Richmond

The significant gap between the income of the legislative body and the Indonesian people has created new problems, namely injustice and social inequality. Based on the aforementioned laws and regulations, the monthly income of the Indonesian House of Representatives (DPR) compared to that of the general public has created a huge disparity. This income gap has undoubtedly led to a failure of justice. In fact, according to John Rawls, in order to achieve justice, every member of society must have the same opportunity to obtain the same benefits.<sup>16</sup>

Justice, according to John Rawls, is expressed in two main principles, namely the principle of equal liberty, which states that every individual must have equal rights in fulfilling their basic rights, such as political rights, freedom of thought, and the right to own property. In this context, the huge income gap between legislators and the public can reduce the public's freedom to obtain equal access to education, health care, and political rights. Members of the House of Representatives who have high incomes may have greater access to quality education, while the majority of the public with low incomes cannot enjoy the same<sup>17</sup>. Rawls' principle of equal liberty can be considered to be disrupted by large income disparities, because the freedom to access important resources such as education, health, and political participation becomes limited for the majority of the public, leading to social inequality.

The phenomenon of income inequality between the legislative institutions and the public in Indonesia also contradicts the second principle put forward by John Rawls, namely the difference principle. This principle allows for social and economic inequality, but only if such inequality benefits those who are least fortunate in society<sup>18</sup>. In this case, the large legislative income gap does not appear to benefit the most disadvantaged groups. In fact, despite the very high salaries of members of the House of Representatives, there is no sufficient wealth redistribution or social policy to reduce the social inequality experienced by poor groups<sup>19</sup>. According to Rawls, inequality can only be justified if it benefits the most disadvantaged, as expected in policies of wealth redistribution, education, or health services. However, if the high salaries of DPR members actually worsen economic inequality without any policies to improve the welfare of the poor, then Rawls' principle of difference is not achieved. If the policies produced by the House of Representatives actually benefit the elite without considering the most disadvantaged groups, then this inequality cannot be justified according to Rawls' principle of difference. This leads to social injustice that harms the majority of the community and exacerbates inequality in access to basic needs.

<sup>16</sup> John Rawls, *Theory of Justice* (Oxford University, 1973).

<sup>17</sup> Muhammad Abram and Yewiwati Yewiwati, "The Influence of Human Resource Quality, Corruption, and Income Inequality on Poverty in Indonesia," *Journal of Economic and Development Studies* 3, no. 3 (2021): 29, <https://doi.org/10.24036/jkep.v3i3.12367>; Muhammad Putra Hababil et al., "Analysis of the Influence of Economic Equality in Efforts to Eliminate Socioeconomic Inequality Among Communities," *Journal of Macroeconomics and Social Development* 1, no. 4 (2024): 1–9, <https://doi.org/10.47134/jmsd.v1i4.276>.

<sup>18</sup> Rawls, *Theory of Justice*.

<sup>19</sup> Frisca Aurelia Amanda Khoiril, "Analysis of Income Redistribution Policy and Socioeconomic Change: A Case Study of Welfare in Indonesia," *Indonesian Journal of Political Studies* 4, no. 1 (2024): 1–8; Hababil et al., "Analysis of the Impact of Economic Equality in Efforts to Eliminate Socio-Economic Inequality Among Communities."

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The phenomenon of income inequality between the legislative institutions and the people in Indonesia, which contradicts the second principle, shows that economic inequality that does not benefit the most disadvantaged groups can hinder the achievement of social justice. In this context, very high legislative incomes, without adequate redistribution policies, worsen social welfare for the majority of the people.

Rawls' idea that disparities in the distribution of resources must be regulated in such a way as to provide direct benefits to those who are marginalized is in line with Mary Richmond's idea, which emphasizes the importance of resource redistribution to achieve equitable social welfare (5). According to Richmond, social welfare is not only about providing social assistance, but also about building social structures that ensure all individuals have equal access to basic needs such as education, health, and economic opportunities. Richmond argues that social welfare must accommodate marginalized individuals and groups, with the aim of providing them with better access to services that support their quality of life <sup>20</sup>.

In the context of legislative income inequality, this phenomenon reflects a failure to fulfill the principles of social welfare suggested by Richmond. The sharp disparity between the incomes of members of the House of Representatives and the majority of Indonesians shows that access to basic services is very limited for poorer communities. The high incomes received by legislators open up better access to quality education and premium health services, while the majority of people with low incomes struggle to access these basic facilities.

Richmond states that to achieve true social welfare, the redistribution of resources is very important, as it reduces inequality and ensures that those who are most vulnerable or disadvantaged can also enjoy the benefits of the social system. However, in the case of legislative income inequality, existing policies are not sufficient to ensure that the social welfare of society as a whole is achieved. If policies only benefit the elite, without considering the most disadvantaged groups, then equitable social welfare remains difficult to achieve.

According to Richmond, more systematic social intervention is needed, whereby the state and social institutions must act to reduce social inequality and support more equitable access to basic resources and services. In this case, fair redistribution must not only take the form of cash transfers, but also increased access to education, health care, and equal employment opportunities for all levels of society.

On the other hand, in Malaysia, the ratio of legislative income to that of the general public is around 3.03 times, which is relatively much smaller than in Indonesia. Although inequality still exists, this ratio shows that Malaysia has a more balanced legislative income structure, which may reflect greater efforts to maintain social and economic justice among legislators and the public. The principle of social justice proposed by John Rawls, which prioritizes fair redistribution to improve social welfare for the poor, can be used as a reference to analyze existing policies in both countries.

Although Malaysia shows a smaller gap, Indonesia faces greater challenges in terms of social welfare distribution. The greater inequality in Indonesia points to the need for more inclusive social policies and fairer redistribution of resources, especially to ensure equal access to education, health, and employment for all levels of society. Redistribution policies that not

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<sup>20</sup> M. E. Richmond, *Social Diagnosis* (Russell Sage Foundation, 2017).



only consider the welfare of the legislative class, but also the most disadvantaged groups, are key to creating equitable social welfare in both countries, in accordance with broader principles of social justice.

To overcome significant legislative income inequality in both Indonesia and Malaysia, fair policies are key. Based on John Rawls' theory, social justice can only be achieved if existing inequalities benefit those who are most disadvantaged. In this context, policies that not only benefit the elite but also support the redistribution of wealth to poorer groups are essential. Balanced legislative income policies must be accompanied by social policies that consider the welfare of society as a whole, not just a select few.

Referring to Mary Richmond and her theory of social welfare, the fair redistribution of resources and equal access to basic services should be the main focus of social policy. Social welfare is not only a matter of economic distribution, but also about equal access to education, health, and fair economic opportunities. Inclusive social policies that prioritize the interests of the poor and reduce legislative income inequality can help create a more just and prosperous social structure for all levels of society.

Thus, fair policies must be oriented towards more equitable redistribution, guarantee equal access for all citizens, and ensure that income inequality does not hinder the achievement of social welfare. Rawls emphasizes the importance of the principle of fairness in distribution, while Richmond places greater emphasis on the role of social intervention to help the less fortunate. Therefore, policies that take both principles into account will reduce socioeconomic inequality and create a more inclusive and fair social welfare.

### 3. Social Justice and Civic Awareness

Within the framework of Civic Education, legislative income inequality is an important issue that needs to be analysed from the perspective of social justice. Legislative members in Indonesia earn significantly higher incomes than the average citizen, including basic salaries, allowances, and additional facilities, thus creating a significant gap.<sup>21</sup>

The additional facilities enjoyed by legislative institutions may also lead to greater inequality, such as official vehicles, official residences, premium health services, official travel allowances, and educational facilities for families, which create real differences in life that are not only related to income but also access to important resources that are not available to most people.<sup>22</sup>

Furthermore, many legislators have greater investment opportunities, business networks, or access to capital than the general public, thereby widening the welfare gap as not all citizens have access to the same economic opportunities<sup>23</sup>. This disparity is also evident in a geographical context; in remote and rural areas, residents' incomes are well below the national average, while legislative allowances are applied uniformly without taking regional disparities into account. This reinforces social inequality and perceptions of injustice in the eyes of the

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<sup>21</sup> Egitia Dwi Lestari, Desi Aulia Putri, and Hendru Prawinata, "The Importance of Civic Education in Overcoming the Constitutional Crisis in Indonesia," *Widya Pustaka Scientific Journal of Education* 12, no. 1 (2024): 27–37.

<sup>22</sup> Y Setiawan and D Prabowo, "Reform of the Civic Education Curriculum in Indonesia," *Journal of Social Education* 8, no. 1 (2022): 10–22.

<sup>23</sup> M Fauzi and T Hermawan, "Civic Education in Enhancing Social Awareness and Justice," *Journal of Civic Education* 9, no. 4 (2021): 25–40.

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public. Overall, this disparity shows that legislative income inequality is not only a matter of nominal income, but also includes access to facilities, economic opportunities, and unequal treatment between legislators and the general public.

The income gap among Malaysian legislators can be observed in several ways. First, although the basic salary of legislators is lower than in Indonesia, allowances for positions and travel still add significantly to their total income. Research from Tan, Ismail (2022) shows that this remuneration structure still provides legislators with a standard of living far above that of the average citizen, even though the nominal amount is lower than in Indonesia.<sup>24</sup> In addition, legislators in Malaysia also receive additional benefits, such as official vehicles, official travel allowances, health allowances, and access to education for their families. These facilities are similar to those received by Indonesian legislators, but on a more moderate scale. This phenomenon creates a significant difference in living standards and access to important resources between legislators and the general public.<sup>25</sup>

This phenomenon is important to analyze because it concerns the principle of social justice, which is the basis of civic education values, whereby every citizen should receive proportional treatment according to their contribution.

Pancasila as the foundation of the Indonesian state and the Rukun Negara of Malaysia both emphasize the importance of justice in state affairs. The fifth principle of Pancasila, namely

*“Social justice for all Indonesian people,”*

affirms that state policies, including legislative income, should reflect a balance between the political elite and the wider community. This means that legislators should not only enjoy exclusive prosperity, but also consider the socioeconomic conditions of the majority of the people. (Prasetyo et al., 2022; Wibowo & Surya, 2023). This principle of social justice serves as a benchmark for the legitimacy of public policy and the integrity of the democratic system, while also fostering critical civic responsibility towards political practices.<sup>26</sup>

Not much different from the principles instilled by the Indonesian government, Malaysia also has principles in this regard, namely :

*“Social justice and decency”*

This principle requires the legislature and government to pay attention to the welfare of the people as a whole, so that the interests of the political elite do not dominate access to resources and economic opportunities.<sup>27</sup> These two principles emphasize that social justice is an important instrument for building civic awareness, whereby citizens understand their rights and obligations, respect equality, and are able to critically assess the performance of state administrators. In the National Unity emphasizes collectivity and balance, so that the welfare of

<sup>24</sup> L Tan and R Ismail, “Civic Responsibility and Social Justice in Malaysian Governance,” *Asian Education and Development Studies* 11, no. 4 (2022): 350–68, <https://doi.org/10.1108/AEDS-05-2022-0087>.

<sup>25</sup> H Abdullah and N Mohamad, “Transparency and Accountability of Legislator Compensation: Public Perception in Malaysia,” *Jurnal Administrasi Publik Malaysia* 8, no. 2 (2021): 30–45.

<sup>26</sup> Erna Yulindari, Moh Muchtarom, and Pipit Widiatmaka, “Political Education through Strengthening Digital Literacy in the Civic Education Course Learning Process,” *Kwangsan: Journal of Educational Technology* 11, no. 1 (2023): 186–205.

<sup>27</sup> Lestari, Putri, and Prawinata, “The Importance Of Civic Education In Overcoming The Constitutional Crisis In Indonesia.”

the people is not marginalized by the interests of the elite. However, practices that reveal the welfare gap between the legislature and the community create a contradiction between the values taught and social reality, posing challenges for the internalization of civic education values.<sup>28</sup>

This inequality creates a contradiction between the values taught in civic education and actual practice, thereby hindering the internalization of social justice values. Students and members of the public who study civic education principles are expected to understand that social justice must be a reference point in the administration of the state, but when they see the reality of extreme inequality, their civic awareness can be reduced and dissatisfaction can arise, which has the potential to reduce political participation. (Farid & Putra, 2022). Therefore, the application of the principles of social justice from Pancasila and the State Principles requires transparency and accountability of legislative income, public oversight, and political education that emphasizes the relevance of these values in everyday life. This approach emphasizes not only theory but also practice, so that civic education serves as a tool for strengthening democracy and inclusive community development.<sup>29</sup>

Legislative income inequality has a direct impact on public civic responsibility. This injustice creates negative perceptions and reduces trust in public officials and legislative institutions<sup>30</sup>. Surveys show that the level of political participation among the public has declined because citizens feel that the contribution of legislators is not commensurate with the compensation they receive, so they tend to be apathetic in exercising their right to vote or participating in political forums<sup>31</sup>. This impact confirms that inequality in legislative income can undermine the value of social justice and reduce the effectiveness of civic education.

Legislative income inequality has a direct impact on civic responsibility among the public. When the public realizes that there is a large income gap between legislators and ordinary citizens, this creates a negative perception of the fairness and integrity of public officials<sup>32</sup>. Studies show that this kind of injustice not only reduces public trust in individual legislators, but also weakens the legitimacy of the legislative institution as a whole<sup>33</sup>.

This phenomenon is reflected in the political behavior of the community. Data from Statistics Indonesia (2022) indicates that political participation rates are declining among citizens who are aware of the disparity in legislative income. Citizens feel that the contribution of legislators, both in terms of policy and oversight of public welfare, is not commensurate with the financial compensation they receive<sup>34</sup>. As a result, the public tends to be apathetic, reluctant to exercise their right to vote, and less involved in political discussion forums or public

<sup>28</sup> Jason C Fitzgerald et al., "A Systematic Review of the Last Decade of Civic Education Research in the United States," *Peabody Journal of Education* 96, no. 3 (2021): 235–46.

<sup>29</sup> Lestari, Putri, and Prawinata, "The Importance Of Civic Education In Overcoming The Constitutional Crisis In Indonesia."

<sup>30</sup> Fauzi and Hermawan, "Civic Education in Enhancing Social Awareness and Justice."

<sup>31</sup> Arrifqi, Munawaroh, and Rahman, "Analysis of Public Perception Using Big Data Methods on the Performance of the House of Representatives in Processing the PKS Bill."

<sup>32</sup> Fauzi and Hermawan, "Civic Education in Enhancing Social Awareness and Justice."

<sup>33</sup> Haitham M Altaany, "Civic Education and Its Role in Social Stabilization: A Comprehensive Review," *Available at SSRN 5002738*, 2024.

<sup>34</sup> T J Prasetyo and W Sutopo, "Transformasi Digital Di Era Revolusi Industri 4.0: Tantangan Dan Peluang Sektor Publik Indonesia," *Jurnal Manajemen Dan Kebijakan Publik* 13, no. 1 (2022): 22–38.

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decision-making<sup>35</sup> This disparity confirms that legislative income inequality has broad implications for the internalization of Pancasila values, particularly the 5th principle of social justice, as well as the principles of civic awareness that are the focus of civic education. Civic education should foster an understanding that every citizen, including the political elite, has balanced rights and obligations, and teach the public to be critical of unfair political practices. However, when the disparity in legislative income is too great, the value of social justice that is taught becomes difficult to apply in social reality, thereby hindering civic education efforts to shape responsible, critical, and participatory citizens<sup>36</sup>

More broadly, legislative income inequality is not merely an economic issue, but also a matter of democracy and political legitimacy. When the public loses trust in public officials due to extreme income disparities, their potential for active participation in the political process diminishes, and public oversight of policies becomes weak. Thus, this inequality creates a vicious cycle: injustice increases apathy, which then strengthens the position of the legislature without effective control from the public, so that the social justice values expected from civic education are not optimally realized.<sup>37</sup> To address the negative impacts of income inequality, transparency and accountability are crucial. Transparency allows the public to know the amount of salaries, allowances, and facilities received by legislators, while accountability encourages public officials to openly explain their contributions. The integration of transparency and accountability practices in political education helps students and the public understand the relationship between rights, obligations, and responsibilities in a democracy

#### **D. Conclusion**

The income of legislative bodies in both Indonesia and Malaysia includes a base salary and various allowances based on their position. In Indonesia, this income is estimated to be 10 to 14 times the minimum wage in Jakarta, while in Malaysia, it is 4 to 5 times the average income of local residents. This analysis concludes that the income gap between legislators and the public in Indonesia is still too wide and does not reflect the mandate of social justice in Pancasila. This inequality not only has an impact on the economic dimension, but also on public trust, democratic legitimacy, and the internalization of citizenship values. A comparison with Malaysia shows that a more proportional income model can support social stability and a sense of public justice, thus serving as a reference for Indonesia. Therefore, reforming the remuneration system, public oversight, and strengthening civic education are strategic steps to create greater prosperity and a more dignified democracy.

To reduce socioeconomic inequality, the government needs to integrate public official remuneration reforms with more progressive redistribution policies, expand access to basic services such as education, health, and social protection for vulnerable groups, and increase transparency in state budget management. In addition, community involvement in public decision-making processes, and regular evaluation of the effectiveness of welfare policies are

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<sup>35</sup> M Farid and Y Putra, "Public Engagement and Legislative Disparities in Indonesia," *Jurnal Ilmu Sosial Dan Ilmu Politik* 14, no. 2 (2022): 101–20, <https://doi.org/10.2345/jisip.2022.14.2.101>.

<sup>36</sup> Lestari, Putri, and Prawinata, "The Importance Of Civic Education In Overcoming The Constitutional Crisis In Indonesia."

<sup>37</sup> Fauzi and Hermawan, "Civic Education in Enhancing Social Awareness and Justice."

strategic steps to ensure that the distribution of state resources truly benefits the most vulnerable groups and creates a more equitable and inclusive social welfare system. The phenomenon of legislative income inequality in Indonesia, which is much higher than that of the general public, creates social injustice and hinders the achievement of public welfare, as based on Rawls's principles of justice and Richmond's social welfare theory. Therefore, fair and inclusive redistribution policies are needed to ensure equal access to basic services and improve the social welfare of all levels of society.

These two conditions demonstrate the contradiction between the values of social justice enshrined in Pancasila and the State Principles and the daily practices of the political elite. Declining public trust and increasing apathy toward political participation are the consequences of this inequality. Inequality in income distribution weakens the internalization of social justice values. Therefore, it is crucial to introduce the basic role of Indonesian law from the outset in fostering civic awareness and social justice among members of the government, including members of the legislature.

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