Debt and Credit Principle in Culture Toraja Ethnic “Rambu Solo”*: A New Perspective Non Contractual

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Abstract: The paper aim to proposes modelling the social transformation process the relationship between behavioral of Toraja people in debt and credit principle non contractual in culture Toraja ethnic “rambu solo.” The study aims to expand the domain of agency theory with opportunist perspective in human nature become a new perspective behaviour of human related aspects culture. The paper opted for an exploratory concept using the open-ended approach of fenomenology with observation on fenomena in Toraja ethnic culture. The paper provides empirical insights about how people in Toraja brought insight about internal trustworthy of inter individual in practice debt and credit not make contract or any document. It suggests that successful example act as integrating spiritual to inspire how the people not always needed contractual for all transaction. Because of the research approach and limitation of obeservation just in Toraja, the research results may lack general is ability. Therefore, researchers have of opportunity to conduct further research. This paper to an identify need to study how trustworthy supportive behaviour of people to helping together and build truthfulness. Implications this paper for discourse of the development truthfulness of people and of trustworthy, caring and for managing behavior between lender and borrower.

Keywords: debt and credit, Toraja ethnic, rambu solo’, agency theory, truthfulness, trustworthy.

I. Introduction

When two person work together with a contract base to do something, then among their existing basic agency theory, because two people or more agree to work together. The one as a person who give mandate and the other as executor, then there will be gaps of information, referred to as information of assymme. To minimize this information asymmetry, the accounting as a technique to produce the information would be one method to create balance between information managers and principals.

The result of Jensen and Meckling article (1976) “Theory of the Firm: Managerial Behaviour, Agency Cost and Ownership Structure” become the starting point of the development of agency theory and became so popular and always exciting to learn. Moreover, this theory is so interesting it can examine from the side perspective of human behaviour to benefit from his wealth (principal) and the expertise to manage (manager). Agency theory is an important and contribute theory that to see the relationship between the agent (manager) and principal (owner). This theory offers a different view of a contract and relationship with the management and control differences between principal and agent as a person who manage the company. In this theory, the existence of conflicts can arise because differences in objectives between owners who need high profits and managers need a good performance as well as appropriate compensation.

In economics the concept of agency theory arise from submission of corporate management responsibilities to other parties, namely management. Management is an agent of the owner of the company's "principal". In manage the company, agent has a responsibility as well as personal interests, so that between the interests of agent and principal interests are often contradictory. Agency theory is view from agent and principal behaviour side. This theory is used in popular areas study of accounting primarily related to capital markets, but no limited for this area cause behaviour include more aspect in economic, especialy from Toraja culture or in tradition funeral aspect.

II. Literature Review

Debt is not an alien thing in the daily life of all mankind. Debt is not strange that no one free from debt practice. In Indonesia, there is an idiom regarding debt: “promise is a debt”. In accounting debts and receivables are an essential element, especially in the financial statements. Debt will occupy different positions in the financial statements. In general acceptable accounting principle, debt is transaction with outside companies and credit will increased when we make journal and at that time of entry will appear in the balance sheet part of liabilities (Ghozali and Anis, 2007:261).

Instead of receivables will be occupy on the assets of the balance sheet. Meaning of debt in accounting is important because it takes legalization to be recorded and included in the report of financial. Without legalization, debt would become meaningless. If general public interpret as a debt agreement may not require
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proof and recording of the occurrence, but this is not the case of accounting. Meaning in the accounting of the
debt can be seen from SFAC No. 6:

“Debt is a future sacrifice of economic benefits that may arise because an entity’s present obligation to
deliver assets or provide services to other entities in the future as a result of past transactions”

From this meaning we can see something interesting, that the fulfillment of these obligations for
transactions in the past and to pay the debt is considered as a “sacrifice”. In accounting view it can be
considerers as a truth and fairness for all transaction that caused property is considered as income increases and
decreases when the property is considered as a sacrifice. But, if we view from perception of “humans”, we will
make payments of an obligation and we fill enjoy because it is not a “sacrifice” for us.

Even though emphasis spending as a fulfillment of an obligation is considered as a sacrifice, to be fair
because after the use of accounting based on the principles of capitalism in the economy, which is emphasis on
human interests, it is not on ethics of harmony in life as a unity with the community, environment and nature.
Become an interesting thing that can affect the culture differences of opinion over a similar incident. In culture
by characteristic of Western capitalism, that the debts and receivables will be seen as a purely economic
transaction and they do not take into account the elements of humanism in it, the view is dominated by the
rational-theoretical. In the other hand, in Eastern culture community relation is a social interaction (Damsar,
2011:8), because every component that exists in society is seen as a system in which consists of various
components interconnected and interdependent. Eastern people will see themselves and others in understanding
religious and humanist (Kebung, 2011:10).

The difference this view also applies in the concept of debt in the culture of Indonesian society in
generally and specifically Toraja people. In above description can be given as follows: in the practice of debt in
the market with a belief system that is still strong, then lend to someone without proof is not a strange thing. In
“Tanah Abang” market (wholesaler and traditional market in Jakarta, capital of Indonesia) a fellow trader can
casually pick up the other traders with no maximum number is not specified, and also without proof. Even a
pack of cigarettes would be very valuable records as evidence of a pick-up and the amount of value that is still
owed.

Moreover the differences of understanding and practice of debts that are understood by the community
with the definitions and accounting practices that occurred within in my opinion, there is “no trust”
in the accounting, so that the legality of a contract of accountability into the underlying transaction to be able
to record a debt to be valid and included in the financial statements (Ghozali and Anis, 2007), whereas in social
interaction occurs in debts are not based on a formal contract but rather are based on a relationship of trust and
humanism who helping each other.

III. Definition of Agency Theory, Debts and Claims

In general, debt is an event that causes a person had an obligation to meet or pay for it. The occurrence
of debt because there are at least two parties to the agreement a "transaction" in which the one gives the other
loans as borrowers. Lender as a principal and borrowing is a manager in agency theory concept. If it interpreted
according to management science and accounting, then the agency can be interpreted as a delegation of
authority to someone to manage his property and making a profit for him. Management is the agent for the
principal. In his position as agent of the principal, there was made a written agreement namely a “contract”. The
purpose of this contract is to avoid conflicts or minimize conflict. Watts and Zimmerman (1986:181) defines
itself as an agency relationship:

A contract under which one or more (principal) engage another person (the agent) to perform some
service on their behalf of which involves delegating some decision making authority to the agent.

In entrusted his property to an agent, then the principal will choose an agent who could be trusted to manage his
property. So agent will signed a contract it would felt fit with a principal and vice versa. So, in other case of a
formal contract cause the agency relationship still exist, but the underlying basis of the contract because of
"trust" and willing to cooperate each other. Eisenhart (1989), in conjunction with the contract theory of agency,
said: humans have three major properties in maximizing their interest. 1) Humans selfish self-interest. 2) Humans
have limited thinking power to assess risks in the future (bounded rationality). 3) People always avoid risk (risk adverse).

From the above explanation, I can draw a sense of agency as a delegation of authority for the trust
someone to manage “something”, such each property. This simple notion can be seen in the use of the term of
this agency, such as travel agents, model agency, employment agencies and others. So, the agency relationship
will work, if the first time given “trust” to people outside of themselves to run the trust with responsibility. The
results obtained from the management can bring benefits both principal as an owner of capital and agents as a
manager.

Scott (2000), said that there are two kinds of information asymmetry that may arise from the
relationship of agency between owners and managers, lenders and borrowers: 1) Adverse selection, is if the
manager and the people within the company to know more information about the company's circumstances and pros
pects in the future compared with the owners or investors from outside parties. 2) Moral hazard, an activity carried out by someone (the manager) are not entirely known by the principal or lender in violation of contracts, the ethics and norms are not worth doing.

Toraja Culture

In Toraja culture can be broadly divided into two, namely the feast of joy and sorrow ritual, rambu tuka‘ and rambu solo‘. Reality is seen in Toraja society, the implementation of the feast of joy is not “glorious” the feast of sorrow. This raises the “proverb” outside the Toraja tribe that “Toraja people looking for money for the provision of living death”. If you look at the fact, this view is not wrong, because by naked eyes look in through the ritual behaviour “spiritual” custom, which is believed to be a liability and should be implemented by a large family and colleagues.

Festive and magnitude of the sacrifices made Toraja society in ritual funeral ceremony rambu solo‘, because they believed, that someone after death will go to heaven, called “Puya”. According to “Aluk Todolo,” Puya is the place that people can live normally like in the world. So to live decent and enjoyable in Puya, someone who died must bring lunch over there. The belief is what gave birth to a tradition of ‘mantunu’ buffaloes and pigs. Mantunu is mean a sacrificial ceremony or religious offering in Toraja culture, when someone dies and his/ her spirit “arwah” will transfer to his destination “Puya”. If his/ her is not lunch enough (by that should be adapted to the caste) believed that they would live there suffer or never even get there.

In Aluk Todolo, every ceremony is always there offerings (animal sacrifices). The offerings are intended as a gift of offerings to the Lord “Puang Matua”, the gods and ancestral spirits who have returned to the gods “To Membali Puang”. Specifically for funeral ceremony “rambu solo’”, aimed at offering to the ancestors of the deceased. Everything is sacrificed both the animate and inanimate part taken by the soul of the deceased to the Puya dwelling place of the spirits of the dead. Ceremony of rambu solo’ is started in the afternoon when the sun began to sink towards the west, as a symbol of sinking of life, death or darkness.

Culture Agencies in Toraja

Culture of Toraja people especially cultures laden with grief in their implementation based on the principle agency with faith. Because of, Toraja culture can’t done well because of the role of event organizers, however, because of the participation of all layers of society and especially with the relationship of trust that exists in a big family, friends or colleagues (in business). The development of a model agency, assumes that the business agent could not be observed by the principal, but the payment can be observed. Agents can be risk averse to avoid the appearance of additional risk, because of the hidden tendency to be achieved.

In the implementation of this custom party then appear relationships debts are not based on a formal contract, but based on the concept faith. From which I observe and learn, the relationship of this debt is cyclical, handed down from one generation to the next generation. In the first stage, the organizer of rituals (big family) grief would be a “manager” who manage the debt, because at that time the whole family, acquaintances, friends, business associates will abuzz bring different types of materials needed to conduct the ritual. All kinds of objects brought by the participants (bondholder) will be recorded by the organizers and then given the term as an obligation “debt.”

This form of debt ranging from: buffaloes (live), pigs (live or already cooked and ready to eat), cigarettes, sugar, coffee, rice, cakes, including money. All will turn into a loan for the organizers of the ritual and “must” be returned, if that would later bring him suffer the same “grieving”. This cycle will continue, because if the first party is dead then the obligations that will be implemented by descendants. All objects (debt) in any form a granted, and the rights of family grief rituals organizers to use in accordance with his will. If his obligations well as in later days to pay or return it, if one of the providers through the same thing (grief).

It becomes interesting to see the relationship of this contract debt, for which of legal proof of whether or not a contractual relationship is based on the note from the ceremony organizers grief. In the perspective of an agency contract this consistent is said by Baim (1990), that the principal-agent model, each individual action obtained endogenously, based on the preferences and beliefs are mentioned as well. Furthermore, each everybody who expects others act only according to their own preferences and beliefs. This is supported by the positive accounting theory (Watts and Zimmerman, 1986), that in each individual contract has unlimited computing power and rational (efficient contracting).

Contractual relationship between the manager and the person who gave the loan (lender) or its / debenture holders, in this context referred to as the principal creditor and manager (the manager) is the agent. In philosophy took delivery of the Toraja is a “symbol” and also participated grieve, but it has become a habit, that what they provide today, one day they will get back “at least” equal to what they carry now. In the conversion, base on current value rather than historical value. Although the practice may be the value returned
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will be larger or smaller than the present value. This is called by Watts and Zimmerman (1986:186), in providing the loan, the lender will take into account the interest rate and the potential for moral hazard, the actions that may not be in line with the wishes of the principal.

Although laden with the agency relationship, the term agency itself in Toraja culture is not known. This relationship is seen as a form of self concept, where people give even if it meant as a gift that will be refunded, but in which there is uncertainty. Uncertainty there is not a consideration when giving ceremony for the organizers of grief, because the gift was made with the concept of “unity” to give without feeling lost, called “pa’pandan”. In contrast to the organizers of the party, granting it would be a mandate to use and manage. Pa’pandan means spread out, but the implicit meaning is indeed an investment, or savings. And in practice the potential for moral hazard is also not a stranger and common. For example: when someone brought the buffalo to his kinsman the funeral feast, while himself was experiencing grief but has not held a funeral feast, then he is said to shift the burden of the cost of grazing buffalo to his relatives who died. It could also pay his debts when he returns with a smaller value. Or extreme never repay it (the interview with a traditional leaders).

However, it is possible to not be returned or refunded with a smaller values, the principle of self becomes more dominant. This is because the procedure “collect” as happens in the conventional system of debts is a taboo thing to do. If this is done will be a huge disgrace and will cause a schism (the interview with a traditional leaders). That dominant principle above, can be explain by the concept of game theory, that the conflicts and interactions often occur when there are conditions of uncertainty and the asymmetry of information. Each individual player is assumed to have the hope to maximize the benefits (expected utility), and no one party that wants lower right of each individual. There are two theories, single-person decision theory and theory of investment. In single-person decision theory, there is one player who play against the environment (nature), make decisions under conditions of uncertainty. The market is a place where it can be seen as a game that involves players in large numbers.

The concept Self in Toraja Culture

The presence of someone who was alive and died in a culture of Toraja society is integral. Because in traditionally Toraja beliefs, they believe the death and life are only separated by a leaf and a grass. If someone dies, then the people who still live act to hold the rites proper to take his spirit go to the Puya, as more family lively and more animals are slaughtered, the more flamboyant soul enter the world of spirits of the dead. Due to the presence of people, the splendour of jewellery will describe the “environment soul” later in the late Puya. It is said by Kabanga’ (2002:35): the human soul and spirit in the Toraja beliefs are not affected by the death, because the human soul is not mortal, but he is a “divine”, because the soul is the eternal element in man.

Furthermore Kabanga’ explains that, Toraja traditional belief that people who died will again be a god or called “membali Puang” according to a divine origin. So after his soul go to the Puya, then if the family is dying to meet all necessary requirements, then one day the spirit will leave the Puya and raised to the heavens dwell with God and other gods there. This became the basis of belief for the families that all the sacrifices that they have done will not be in vain, because the divine spirit, and has again become god will give abundant thanks for what they do at the time held a party.

Vice versa if, this spirit has seen another soul has ascended to surge, while he has not been able to go up, then he will be angry and may have him back to reality to disrupt and harm people who are still alive (Kabanga’, 2002:36). The soul is still in Puya not been able to bless people. And get to heaven family roles are still alive is the key. And to be able to carry it all must be sacrificial animals. That sacrifice is the focus in implementing ritual bereavement rituals.

So in principle, if a person carrying out a ritual sacrifice, then the indirect is for the good of himself, his family and his future. Because of the belief that someday they’ll be blessed by the spirits who have become gods. Likewise, those bring something to the party organizers with the same confidence, without fear and prejudice that “will not be returned/ paid”. There is the implementation of concept of giving without getting lost (the idea of studying philosophy and spirituality).

Spiritual Meaning of Culture Agency (Toraja)

Sheriff and Howland in Sarlito (1983) issued a proposition that, people form the most important situation for him. This includes the formation of psychological factors in which there are motives, attitudes, emotions and past experiences. It is also influenced by what is to be achieved, psychological interaction with socio-cultural factors that will be the framework of the behaviour of individuals and communities. Likewise, the behaviour of air-traditional Toraja society is influenced by the environment and interactions within the community, which has been established based on the stories and Pemali Aluk hereditary. And this became the root of social behaviour in the running.

According to Eliade (2002:3), a metaphysical concept of the ancient world can’t always formulated in theoretical language; but symbols, myths, rituals, speech, at different levels and through means that are right for all, an affirmation system coherent complex of reality end (ultimate) everything, the system can be viewed as a
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metaphysical material. Further explained that if a human then it is difficult to understand the symbols, rituals and ancient myths that exist, it is necessary to penetrate the consciousness of a particular situation to implementation in metaphysical attitude into everyday language. I think this was later created the philosophy of cultural rituals that are reasonable and incomprehensible senses, but through the ritual symbols can be "present" and meaning more fully apparent in the behaviour of cultured.

Eliade (2002) says that synchronizes human life in the profane with the sacred religious behaviour is referred to as homo religious life. Types of these people will divide the world into the world above, the earth and under the earth. World over will be occupied by the gods and ancestors. All three parts of the world is not independent from one another and are always in touch. This opinion is in line with the belief in Toraja society behaving in a ritual of daily Aluk Todolo. Although the environment of modern times this custom has shifted behaviour and then only the rituals are carried out but without meaning of Aluk again.

In the philosophy of spiritual religious societies of old traditional Toraja, it is believed that the Toraja people came from heaven and is a descendant of the gods. Because humans originated from the sky, then all rules are also derived from the sky. This rule is referred to as “Aluk”. Because Aluk comes from the sky, then he is divine. All human beings must submit to Aluk, including the Lord "Puang Matua" as the ruler and creator. If Puang Matua want to do something, then he must perform sacrificial rites of worship “massuru”. Massuru’ is mean making ritual say prayers for gods. Aluk believed that the heavens are complete, self-paced hundred or seven (Aluk sanda Saratu’, Aluk sanda pitunna), a quantity of one hundred and seven is a symbol of fullness. Therefore the ancients as Aluk makers, not freely make Aluk without considering the direct word of Puang Matua.

In this connection, the Toraja is believed to be agents in carrying out Aluk Puang Matua with customary rules that have been defined by Puang Matua and consultation agreements outlined in lieu of the word of God (This fits with the principle of “people's voice is the voice of God”). Included in the carrying out of ritual rambu solo’. This ritual sacrifice full of possessions and all of it interpreted as an obligation that must be execute.

Belief, that the well-guarded Aluk will bring welfare material and spiritual. Conversely, if violated would bring disaster, disease and curse. Making people Toraja in their customary rituals as God's agents will not feel lost, even as a duty which is believed to bring "blessing" for themselves and for future offspring. Litany “to Minaa” (priests Aluk Todolo) about Aluk as follows (free translation from “Pusbang Toraja Church,” 1996):

Hi, Aluk who descended from heaven, from earth Pemali
You have long used by Aluk “Pong Mulatau” (first man)
You’ve worn so thanks to the first human caretaker
Either we have long been guilty
As we have lots of yarn in the past stepping over you
Aluk which runs adjacent to the east where the sun rises
Each of you have loved, I gave an offering
that thou mayest be no faltering hope for the organizers of celebration
I'll make you a hand sanitizer water coming out of the mud stone
I make to washing hands like water gushing from a large spring
The water that comes out of solid rock groundwater
The water “Pong Talombatanete Tulakpadang” (water god)
Will I presented to you top of “lemang” (rice cooking in bamboo)
By offering deep red feathered chicken
Chicken liver and a beautiful long-hair male
Hand to leads beverage (water palm 'juice') lucky people
So that there is eat good all-round
So versatile delicious meal
In order to strengthen the implementing body with fruit hand shower
So steeled themselves with flowers finger as the village people
That thou mayest watered with safety
So that you sprinkle it with welfare.

Aluk according to Toraja-Indonesian dictionary (J Tammu and Van Der Veen), Aluk means: 1) Religion, in terms of devotion to God and the Gods; 2) Ceremonial or religious traditions; 3) Behaviour, rules of conduct. Aluk includes teachings, ceremonial rites and prohibitions or Pemali. Aluk in Toraja society is always associated with Aluk Todolo. Aluk that originated from the heavens, nature over which the gods dwell, so called as Aluk who was born in the middle of the sky (Aluk tipondok do tangngana langi’, mean of rainbow). So that the entire life no one apart from the rules Aluk ‘naria sukaran Aluk’ lap by Aluk. This is what underlies the concept of unity between people's behaviour with the rites aluk of Toraja.
IV. Conclusion

Description above, provide a new perspective of agency theory related to the problem of differences in confidence, on the other hand the exchange of mutual benefit has no place. When an exchange has result a huge loss because of the cost of supervision and inefficient risk sharing. Therefore, each person will tend to refuse to do the exchange if owned limited opportunistic behaviour. Unfortunately, this is a natural behaviour, opportunistic behaviour can’t be observed easily. Thus, the agreement (code of conduct) that avoids opportunistic behaviour can’t effectively suppress the threat of external sanctions, sanctions for unethical behaviour is even more internal. This article wants to stimulate the idea of ethical behaviour in accounting in the concept of debts that without a formal contract can all go on as if there is a formal Contract. Behaviours assumption that everyone will behave according to their own interests even with guile and deception is an assumption that can be disputed and invalid, if based on the perspective of the concept of debt in the ritual signs for solo Toraja culture. Several studies have shown the results of these articles, including Noreen (1988) which saw the side of ethics, Eisenhardt (1989), who saw from the behaviour. Observations show a lot of people behave opportunistically but still limit them if it is associated with ethical sensitivity or awareness of the importance of putting other people.

At least from the standpoint of the concept of debt in the ritual rambu solo’ Toraja culture, its relationship with the agency theory is useful for: 1) Not only sees and explains the behaviour of selfish without limit may be limited by contract. It turned out that the principle of faith (belief), lend without feeling a loss in internal contracts more effectively to control the opportunistic behaviour of humans. 2) Provides a set of reasons about bad consequences for social systems, economic and behaviour, if opportunistic human natural talent is not restricted. 3) In the larger scope such as capital markets, where everyone is required to efficiently and individually, more study suggests that the behaviour, ethics and altruism also important for the efficient functioning market. Especial if you look at the economic and social functions.

Thus, the behaviour of the agency theory which also saw the benefit of others with the principles of honesty and justice are also important for the economic and social systems, the scope of this article is still reviewing the customary law prevailing in society. For the future issues that need to be explained, explored and further observed are: 1) whether legal or customary rules (unwritten), a control device in the concept of debt without a contract could run as it is today? 2) Or perhaps ethical behaviour in altruistic behaviour altruism or utilitarian motivations are more dominant and affect the community to meet its obligations to pay the debt without a written contract based on. 3) Need a special study to determine how likely a debt unpaid receivables in Toraja ritual in society.

Reference