

Achieving Efficiency with Justice in the Reform of Anti-Corruption Law Enforcement in State-Owned Enterprises



Amir Firmansyah ^{a,*}, Suparji ^a, Pujiono Suwandi ^b

^a Faculty of Law, Universitas Al Azhar Indonesia, Jakarta, Indonesia.

^b Faculty of Law, Universitas Sebelas Maret, Surakarta, Indonesia.

* Corresponding Author: amir.firmansyah@stih-adhyaksa.ac.id

ARTICLE INFO

ABSTRACT

Article history

Received: June 23, 2025

Revised: February 20, 2026

Accepted: February 25, 2026

Keywords

Anti-Corruption;

Efficiency;

Justice;

Law Enforcement;

State-Owned Enterprises;

The anti-corruption law enforcement approach in Indonesian State-Owned Enterprises (SOEs) is primarily repressive, necessitating a system that incorporates economic efficiency and legal justice. This situation results in legal uncertainty, the potential criminalization of legitimate business decisions, and low effectiveness in eradicating corruption. The objective of this investigation is to evaluate deficiencies in the anti-corruption law enforcement system in Indonesian SOEs and to develop a model for reconstructing law enforcement that incorporates the principles of efficiency and justice. The research methodology employed is a normative juridical approach, incorporating conceptual, statutory, and comparative approaches. The results suggest that, *first*, primary weaknesses are the ambiguous boundaries between business risks and corruption, regulatory fragmentation, and the weak integration between prevention and law enforcement mechanisms. *Secondly*, Singapore's success in eradicating corruption in SOEs is attributed to the strict separation of state and corporate functions through Temasek Holdings, which is bolstered by independent and effective law enforcement by the Corrupt Practices Investigation Bureau. *Third*, this study suggests an Efficiency-Justice-Based Anti-Corruption Enforcement model that integrates repressive, preventive, and restorative approaches within a coherent legal framework. This model includes the following: the internalization of compliance systems at the corporate level, the increased independence of law enforcement agencies, the harmonization of regulations, the strengthening of the business judgment rule, and the redefining of the concept of state losses.



This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license



Introduction

Indonesia still has many problems to address in its efforts to eliminate corruption. People around the world often think that the country has a lot of corruption. Corruption is a strategic problem that impacts the economy, society,



and politics, and it significantly affects the country's progress. People in positions of power, such as public officials and lawmakers, often engage in corruption by utilizing their influence for their own or their group's benefit. Because there is no openness or accountability in government, corrupt behavior can persist and recur across many aspects of national life.¹

According to data from Transparency International (TI), Indonesia's Corruption Perception Index (CPI) has been going in the wrong direction in recent years. The CPI is a global measure that uses public opinion and expert assessments to determine how corrupt a country's public sector is. In 2020, Indonesia ranked 102nd among the nations surveyed, with a Consumer Price Index score of 37. This number is lower than the scores of 40 in 2019 and 38 in 2018. The score going down shows that people in Indonesia and across the world are becoming more worried about how successfully the country's efforts to fight corruption are working and the structural problems that still stand in the way of good governance and honesty. With a score of 38 in 2021, Indonesia moved up to 96th place. In 2022, there was also a big drop, which put the score at 34 and the ranking at 110. Indonesia's ranking dropped to 115th out of 180 countries, even though its score stayed at 34 in 2023. There was a small improvement in 2024, with a score of 37 and a position of 99th. Indonesia's CPI score in 2025 was 42, ranking it 109th in the world. These changes show that Indonesia's efforts to eliminate corruption are still facing significant structural and institutional challenges, as well as shifts in how people and the world view the government's anti-corruption policies.²

The decline in Indonesia's Corruption Perception Index (CPI) score signifies that efforts to eliminate corruption continue to face numerous complex issues that remain inadequately addressed. Indonesia's efforts to fight corruption are still behind those of other Southeast Asian (ASEAN) countries. For example, Singapore has the third-highest CPI score in the world at 85, indicating that it has established a clean, open, and effective government in its fight against corruption. Malaysia is now in 57th place with a score of 51, followed by Brunei Darussalam in 35th place with a score of 60, and Timor Leste in 86th place with a score of 40. This comparison shows that Indonesia needs to improve its national integrity system by securing greater political commitment, strengthening its institutions, and involving more people to compete with other countries in the region and eliminate

¹ Ridwan Arifin and others, 'A Discourse of Justice and Legal Certainty in Stolen Assets Recovery in Indonesia: Analysis of Radbruch's Formula and Friedman's Theory', *Volksgeist: Jurnal Ilmu Hukum Dan Konstitusi*, 6.2 (2023), 159–81 <https://doi.org/10.24090/VOLKSGEIST.V6I2.9596>

² Hendra Karianga, 'Law Reform and Improving Asset Recovery in Indonesia: Contemporary Approach', *Journal of Law, Policy and Globalization*, 93.August 2014 (2020), 2018–21 <https://doi.org/10.7176/jlpg/93-15>

corruption. This data shows that Indonesia is still having a lot of trouble making things more open and fighting corruption.³

One of the main reasons Indonesia has a poor Corruption Perception Index (CPI) score is that the government doesn't do enough to fight corruption. The country has established special organizations, such as the Corruption Eradication Commission (KPK), to address corruption very seriously. However, these organizations are often less efficient than they could be due to structural and political constraints. Three main factors make it harder to eliminate corruption completely: political interference in law enforcement, a lack of personnel and funding, and changes to the rules, especially modifications to the KPK Law that weaken the agency's independence and power. This issue shows how important it is to build institutions, reform the legal system, and ensure that law enforcement organizations are independent to make anti-corruption efforts effective and long-lasting. The KPK was once seen as an independent body, but now faces many problems that make it harder to do its job well.⁴

The deeply rooted culture of corruption in the government and bureaucracy, along with other institutional factors, is the main reason corruption is so hard to eliminate in Indonesia. It is still common for public officials to misuse their power for their own or their group's gain, which shows that the state can't create integrity.⁵ Also, people are very accepting of corruption in everyday life, suggesting they don't fully understand how important anti-corruption principles are. This scenario is made worse by the lack of societal pressure to encourage openness and accountability, and by the public's limited involvement in monitoring how the government works. So, getting rid of corruption requires more than a legal or formal approach. It also requires a shift in cultural norms and a more active role for civil society in monitoring the government.⁶

To improve Indonesia's Corruption Perception Index (CPI) ranking, a broad, long-term plan is needed that goes beyond law enforcement alone. Institutional strengthening, especially of anti-corruption authorities such as the Corruption Eradication Commission, must go hand in hand with thorough bureaucratic

³ Wahyu Samari, 'GOOD CORPORATE GOVERNANCE IMPLEMENTATION AS A PERFORMANCE AND COMPANY VALUE', *Dinasti International Journal of Economics, Finance & Accounting*, 1.3 (2020), 526–37 <https://doi.org/10.38035/dijefa.v1i3.452>

⁴ Mustawa Mustawa, Abd. Haris Hamid, and Sunardi Purwanda, 'Refund of State Financial Losses in Realizing the Welfare State of Law', *Amsir Law Journal*, 4.1 (2022), 51–61 <https://doi.org/10.36746/alj.v4i1.125>

⁵ Effnu Subiyanto, 'Excessive Investment Failure Corporate Strategy: A Case Study of the Bankruptcy of the State-Owned Indonesia Airline Garuda Indonesia', *Case Studies on Transport Policy*, 10.2 (2022), 1401–6 <https://doi.org/10.1016/j.cstp.2022.05.005>

⁶ Ali Imron, 'STOLEN ASSET RECOVERY TINDAK PIDANA KORUPSI (Pendekatan Sistem Pembalikan Beban Pembuktian Terhadap Aset Hasil Kejahatan Tindak Pidana Korupsi)', *Res Nullius Law Journal*, 6.2 (2024), 111–26 <https://doi.org/10.34010/RNLJ.V6I2.13013>

reform and fair, consistent law enforcement. In addition, preventive measures are necessary for creating a clean governance ecosystem. It is essential to enhance the implementation of comprehensive anti-corruption education and initiatives through formal and informal channels, engaging all sectors of society. Anti-corruption education should start in primary school as a long-term effort to teach kids the virtues of honesty, integrity, and responsibility. In this way, it is hoped that future generations will have a deep awareness of how important it is for governments to be open and honest, and that they will work to create a culture of anti-corruption in their own communities.⁷

When improving the system for preventing corruption, strategic sectors that have a big effect on state financial management and public services should also be given priority. State-owned enterprises (SOEs) are businesses that are both important and easy to corrupt. This is because they are in charge of managing large public resources and running their own businesses. State-Owned Enterprises (SOEs) are companies that the government owns all or most of, thanks to direct investments from state assets that have been split.⁸ State-owned enterprises (SOEs) are well-positioned to perform both public service and business functions, but they are also at risk of corruption, particularly in resource management and public service delivery. This weakness is exacerbated by the fact that the public service sector is highly likely to be corrupt.⁹ In this perspective, state-owned enterprises (SOEs) might also be seen as highly likely to misuse state funding and abuse their power. The Corruption Eradication Commission (KPK) found that PT Pertani, a government-owned corporation, was involved in a corruption case involving the distribution of COVID-19 social assistance (bansos). The evidence also pointed to former Social Affairs Minister Juliari Batubara as the main suspect.¹⁰ This example shows that state-owned enterprises (SOEs) still need strict monitoring and structural reform to reduce the likelihood of corruption in the public sector.¹¹

The performance of State-Owned Enterprises (SOEs) has also worsened due to poor management, as evidenced by the many corruption cases arising from poor governance and a lack of internal oversight. Also, this lack of supervision is linked to the fact that Public Accounting Firms (KAP) don't do a good job of auditing and

⁷ Anisa Dewi Arismaya, 'WHISTLEBLOWING, KPK INDONESIA DAN CPIB SINGAPURA', *Aktiva: Jurnal Akuntansi Dan Investasi*, 6.2 (2021), 53 <https://doi.org/10.53712/aktiva.v6i2.1190>

⁸ Nurmadi Harsa Sumarta and others, 'Bank Ownership Structure and Reputation through Sustainability Reporting in Indonesia', *Social Responsibility Journal*, 19.6 (2023), 989–1002 <https://doi.org/10.1108/SRJ-01-2021-0024>

⁹ Meiryani Meiryani, Sani Muhamad Isa, and Johan Muliadi Kerta, 'Money Laundering in Corruption Cases in Indonesia', *Journal of Money Laundering Control*, 27.1 (2024), 127–38 <https://doi.org/10.1108/JMLC-05-2022-0069>

¹⁰ Karianga.

¹¹ Alexander Henke, Fahad Khalil, and Jacques Lawarree, 'Honest Agents in a Corrupt Equilibrium', *Journal of Economics & Management Strategy*, 31.3 (2022), 762–83 <https://doi.org/10.1111/jems.12470>

supervising SOE financial management, especially when it comes to holding them accountable for their money. This incident underscores the importance of improving the financial management system and supervisory tools to make SOE operations more open and accountable.¹² The internal oversight unit (Inspectorate) must conduct rigorous inspections of State-Owned Enterprises (SOEs) to improve risk management and stop poor management practices. This is an important step in preventing problems. For the Inspectorate's job to improve, it is important to have strong corporate governance practices and effective government regulations in place when assigning SOEs. The government is expected to strike a balance between SOEs' obligations and functions as businesses and their duties as public officials who must carry out state tasks without going over SOEs' operational limits. By encouraging a connection between effective internal oversight and fair government policies, the risk of corruption and mismanagement can be reduced, and the overall performance and accountability of SOEs can be improved.¹³

Like private businesses, State-Owned Enterprises (SOEs) have a dual role that makes it hard for them to grow. This is because SOEs must comply with public laws, such as the State Finance Law, the State Treasury Law, and Law Number 19 of 2003 on State-Owned Enterprises (SOE Law). As state-established public entities, SOEs must follow certain rules. But they also have the traits of private businesses, which must follow the rules of Law Number 40 of 2007 on Limited Liability Companies (SOE Law), which apply only to private companies. This arrangement puts SOEs in a risky position. According to the Constitutional Court's decision, the financial accountability system for SOEs must follow the rules set out in the SOE Law. A state-owned enterprise (SOE) is responsible for any losses it incurs as a corporation with its own legal entity, provided the board of directors manages the company in line with its goals and follows the principle of good faith (business judgment rule/BJR). This aligns with good governance. However, the board of directors is directly responsible for any losses that happen if management goes against the BJR principle. This principle stresses the importance of being responsible and competent when running state-owned enterprises (SOEs) to defend the interests of both the company and the public.¹⁴

Corruption in Indonesia has become a major focus on the unscrupulous actions of leaders of State-Owned Enterprises (SOEs). Corruption accusations involving

¹² Małgorzata Szczepaniak, Andrzej Geise, and Nurul Bariyah, 'Impact of Institutional Determinants on Income Inequalities in Indonesia during the Era Reformasi', *Journal of Asian Economics*, 82 (2022), 101526 <https://doi.org/10.1016/j.asieco.2022.101526>

¹³ Songqin Ye and others, 'Policy Burden of State-Owned Enterprises and Efficiency of Credit Resource Allocation: Evidence from China', *SAGE Open*, 11.1 (2021) <https://doi.org/10.1177/21582440211005467>

¹⁴ Akbar Baitullah and Indah Cahyani, 'Pengaturan Pengelolaan Dan Pengawasan Keuangan Negara Terhadap Badan Usaha Milik Negara (BUMN)', *INICIO LEGIS*, 2.2 (2021), 153–63 <https://doi.org/10.21107/il.v2i2.13049>

members of the Board of Directors and the President Directors (Direktur) of SOEs usually involve taking bribes and abusing power. These cases include: (1) Sofyan Basir, President Director of PT PLN (Persero), who was named a suspect in the bribery case related to the Riau-1 Steam Power Plant (PLTU) project; (2) Andra Y. Agussalam, Finance Director of PT Angkasa Pura II (Persero), who is suspected of accepting bribes from PT INTI (Persero); (3) Risyanto Suanda, President Director of Perum Perindo, who is suspected of accepting bribes related to fish quotas; (4) Dolly Pulungan, President Director of PT Perkebunan Nusantara III, and I Kadek Kertha Laksana, Marketing Director of PT Perkebunan Nusantara III (Persero), both suspects in the alleged sugar distribution bribery case; (5) Karen Agustiawan, former Director of PT Pertamina (Persero), who is suspected of being involved in the alleged corruption case of PT Pertamina funding in the Basker Manta Gummy (BMG) Block, Australia, although the Supreme Court acquitted him in its final decision; (6) Emirsyah Satar, former Director of PT Garuda Indonesia (Persero), who was named a suspect in the bribery case for the procurement of aircraft and aircraft engines; and (7) RJ Lino, former Director of PT Pelindo II (Persero), who is suspected of corruption in the procurement of cranes. These instances show how important it is for the government to consistently follow the law and keep a close eye on the public sector to fight corruption and address the big problems that come with running state-owned businesses.¹⁵

Corruption is still a problem in Indonesia, especially in State-Owned Enterprises (SOEs). This shows that the principles of Good Corporate Governance (GCG) have not been fully implemented. This is clear from the lack of openness, responsibility, and honesty in the management of SOEs.¹⁶ Since the Asian financial crisis in 1998, the government has recognized the need for corporate governance reform and has taken several steps to implement it. For example, it issued the SOE Ministerial Regulation No. PER-01/MBU/2011, which updates the SOE Ministerial Decree No. KEP-117/M-MBU/2002 provides more detailed guidance on following the GCG principles.¹⁷ The goal of this rule is to make state-owned companies (SOEs) more open and professional, and ensure that their business operations are in line with international norms. There are also problems that make it hard to consistently put GCG into practice, such as not recognizing the importance of good governance, political meddling, and a less supportive organizational culture.

¹⁵ Imam Koeswahyono, 'A Model of State-Owned Asset Management Based on Pancasila Values: Achieving the Highest and Best Use', *Arena Hukum*, 17.3 (2024), 465–89 <https://doi.org/10.21776/ub.arenahukum2024.01703.1>

¹⁶ Dedy Eryanto, Iris van Eeden Jones, and Karin Lasthuizen, 'The Troubling Impact of Political Interference in Indonesian Public Sector Institutions on Ethical Leadership Credibility', *International Journal of Public Leadership*, 18.4 (2022), 319–36 <https://doi.org/10.1108/IJPL-10-2021-0056>

¹⁷ Meilani Dewinta Kristina Mantiri and Rizky Eriandani, 'CORPORATE GOVERNANCE CHARACTERISTICS AND CORPORATE SOCIAL RESPONSIBILITY', *Jurnal Akuntansi*, 12.2 (2022), 78–89 <https://doi.org/10.33369/j.akuntansi.12.2.78-89>

To ensure rules are followed, it is also important to make it easier for law enforcement to catch people who break the GCG. The government is trying to make things more open by using greater oversight and going digital. A key part of this effort is getting the public and the media to actively participate in monitoring. To make state-owned companies (SOEs) work better as a driving force of the national economy and a source of revenue for the government, it is important to improve the skills of honest workers and ensure that laws are clear.¹⁸

A comparative view shows that certain nations have successfully established state-owned enterprise governance systems that are largely free of corruption through uniform institutional design and legislative frameworks. People often use Singapore as an example since its state-owned enterprise management system is known for being open and professional.¹⁹ Temasek Holdings runs state-owned businesses in that country using an investment-holding model that operates like a business and is separate from the government, with business decisions made directly. The Corrupt Practices Investigation Bureau (CPIB) is also an independent group that helps law enforcement fight corruption. The CPIB can look into corruption in both the public and private sectors. Singapore has some of the least corrupt governments in the world because it has a strong law enforcement system, clear administration of state assets, and professional corporate governance. It is very important to compare with Singapore, since the country has done a great job of clearly distinguishing the state's regulatory role from the company's business role. This separation reduces the likelihood that politics will interfere with the operation of state-owned businesses and reduces the risk of conflicts of interest. In Indonesia, corruption in state-owned enterprises (SOEs) is often exacerbated by unclear political and business interests. As a result, Singapore's experience can teach us a lot about how to use institutional architecture and legal frameworks to lower this risk.²⁰

It is very important to ensure that State-Owned Enterprises (SOEs) perform as well as they can, as they are so important to the national economy. As Indonesia's largest corporate organizations, SOEs are mainly responsible for driving economic growth and making a significant contribution to state revenue through tax and dividend payments. To build a strong base for SOE business operations, it is important to make sure that the law is clear and that there is clear policy and

¹⁸ Sawssen Khelifi and Ghazi Zouari, 'The Moderating Role of Good Corporate Governance on the Relationship between Corporate Social Responsibility and Real Earnings Management', *Journal of Accounting and Management Information Systems*, 21.4 (2022) <https://doi.org/10.24818/jamis.2022.04003>

¹⁹ Audrey S. Paterson, Fredrick Changwony, and Peter B. Miller, 'Accounting Control, Governance and Anti-Corruption Initiatives in Public Sector Organisations', *The British Accounting Review*, 51.5 (2019), 100844 <https://doi.org/10.1016/j.bar.2019.100844>

²⁰ Zakiyya Haruna, 'An Examination of the Best Practices on the Independence of the Anti-Corruption Agencies in Hong Kong and Singapore: Lessons for Nigeria', *The International Journal of Humanities & Social Studies*, 2024 <https://doi.org/10.24940/theijhss/2024/v12/i1/HS2401-012>

regulatory backing.²¹ To ensure SOEs fulfill their tasks in line with national development goals and to curb corruption and abuse of power, there must be effective oversight of their performance. This is in addition to having enough rules in place. This study examines the legal position of state-owned enterprises (SOEs) as companies governed by the Limited Liability Company Law (UUPT) and reinterprets the concept of separate state finances within a corporate framework. This enhanced independence is expected to strengthen SOEs' role in combating corruption. This paper aims to examine and provide strategic recommendations to improve the effectiveness of anti-corruption efforts in the BUMN context by fostering independence and good governance, employing the theory of economic analysis of law.²²

The dualism of the legal system makes it unclear where the lines are between corporate and individual criminal responsibility in cases of corruption involving state-owned businesses. As a result, business actions that are actually corporate risks can sometimes be seen as corruption, leading to too many crimes and making it harder for managers of state-owned businesses to know the law. This issue shows that eliminating corruption in state-owned enterprises requires a new way of thinking about how public and private law work together to run them, as well as stronger law enforcement. The existing research often ascribes corruption in state-owned firms to insufficient oversight, diminished official integrity, or inadequate application of Good Corporate Governance (GCG) principles. This strategy is important, but it doesn't adequately address the possibility that inconsistent legal design could make it harder for state-owned businesses to make smart decisions and make law enforcement less effective.²³

Research by Saikhu et al. shows that the main factors driving fraud are weak internal control systems, conflicts of interest, and political intervention in the management of state-owned companies.²⁴ Research conducted by Redi et al. shows that consistent application of Good Corporate Governance (GCG) principles can increase transparency, accountability, and the quality of management in state-

²¹ Mahrus Ali and others, 'Corruption, Asset Origin and the Criminal Case of Money Laundering in Indonesian Law', *Journal of Money Laundering Control*, 25.2 (2022), 455–66 <https://doi.org/10.1108/JMLC-03-2021-0022>

²² Nurfaika Ishak, Rahmad Ramadhan Hasibuan, and Tri Suhendra Arbani, 'Bureaucratic and Political Collaboration Towards a Good Governance System', *Bestuur*, 8.1 (2020), 19 <https://doi.org/10.20961/bestuur.v8i1.42922>

²³ Ahmad Redi and Josua Victor, 'The Impact of Good Corporate Governance Implementation on Crime Prevention in State-Owned Enterprises', in *Proceedings of the 3rd Multidisciplinary International Conference, MIC 2023*, 28 October 2023, Jakarta, Indonesia (EAI, 2023) <https://doi.org/10.4108/eai.28-10-2023.2341804>

²⁴ Saikhu Saikhu and others, 'A Systematic Review of Fraud: An Overview of State-Owned Enterprises', *Cogent Business & Management*, 12.1 (2025) <https://doi.org/10.1080/23311975.2025.2518493>

owned companies, thereby reducing the potential for corruption-related crimes.²⁵ Then, research conducted by Tsabita et al. showed that failures in corporate governance, lack of transparency, and weak oversight mechanisms can lead to fraud and major losses in state-owned enterprise subsidiaries.²⁶

Moreover, most studies on corruption in state-owned enterprises (SOEs) still focus on normative analyses of regulations or case studies of specific corruption cases, rather than examining how existing legal frameworks shape the economic choices of people who work for SOEs. The success of legal reform in a competitive business environment depends on law enforcement's ability to create fair and effective incentives for economic actors, as well as the level of repression. In other words, a legal system that works must strike a balance between preventing corruption and keeping state-owned businesses running smoothly.²⁷

In light of these factors, a deficiency exists in legal studies regarding State-Owned Enterprises (SOEs), especially in the formulation of anti-corruption law enforcement measures that balance economic efficiency and legal justice. In Indonesian legal literature, there are relatively few works that employ an economic analysis of the law framework to elucidate the interplay among legal structures, economic incentives, and corporate conduct within state-owned enterprises (SOEs). This method is necessary to assess the efficacy of existing legislative frameworks in alleviating the social costs of corruption and in instituting commensurate accountability mechanisms for SOE administrators. This research also seeks to establish a reform model for anti-corruption legislation enforcement in state-owned enterprises (SOEs) that emphasizes the principles of efficiency and fairness in corporate decision-making, alongside repressive measures. This study aims to examine the extent to which an effective legal framework can reconcile economic efficiency, legal certainty, and corruption mitigation in the management of state-owned companies (SOEs) through the application of an economic analysis of law methodology. The results of this study are expected to provide a conceptual contribution to the formulation of anti-corruption law measures within the state corporate sector and to enhance the governance of state-owned enterprises (SOEs) as a vital mechanism for national economic development.²⁸

²⁵ Redi and Victor.

²⁶ Nabilla Mahva Tsabita and Ariawan Gunadi, 'Corporate Governance Failures Leading to Bankruptcy in State-Owned Enterprises (SOEs) Subsidiaries', *Academia Open*, 10.2 (2025) <https://doi.org/10.21070/acopen.10.2025.12991>

²⁷ Sopian Sitepu, 'State Owned Enterprises Finance from the Perspective of State Funds', *Yuridika*, 35.2 (2019), 363 <https://doi.org/10.20473/ydk.v35i2.16874>

²⁸ Waluyo Waluyo, Hilaire Tegnan, and Noni Oktiana Setiowati, 'Aligning State Finance Regulations with SOE Bankruptcy Policy: Evidence from the United States', *Journal of Human Rights, Culture and Legal System*, 5.1 (2025), 246–78 <https://doi.org/10.53955/jhcls.v5i1.470>

Research Method

This article utilizes a normative juridical research technique, focusing on the analysis of legal doctrines, principles, and norms relevant to the positive legal system. This strategy was chosen because the problems being addressed involve regulatory discord, loopholes in the law, and the need to rebuild the legislative framework to make it easier to punish corruption in State-Owned Enterprises (SOEs).²⁹ This study employs various techniques, including comparative, legislative, and conceptual approaches. The conceptual approach is used to examine important ideas such as efficiency, justice, the business judgment rule, and state losses from a Law and Economics perspective.³⁰ The statutory approach entails analyzing numerous relevant statutes, including the SOE Law, the Corruption Eradication Law, and the Limited Liability Company Law, to identify anomalies and the need for norm harmonization. In the meantime, a comparative method is used to gain other perspectives by examining how Singapore governs and enforces anti-corruption laws.³¹

Singapore was selected as a comparative nation for several strategic reasons. Singapore is known for having one of the lowest corruption rates in the world and for a strong, consistent system for enforcing anti-corruption laws. Second, the way Temasek Holdings runs state-owned businesses is a good example of professional corporate governance because it keeps the roles of the state as a regulator and firms as business players separate. Third, the Corrupt Practices Investigation Bureau is an anti-corruption agency with significant power and relative independence. This shows how well-designed institutions can help eliminate corruption. Based on these traits, Singapore is seen as a good example and can serve as a guide in creating a model for rebuilding anti-corruption legislation enforcement in Indonesian state-owned businesses. But you should keep in mind that the two countries have different legal, political, and economic situations.³²

²⁹ Teguh Tresna Puja Asmara and others, 'Corporate Social Responsibility and Cooperatives Business Sustainability in Indonesia: Legal Perspective', *Sustainability*, 15.7 (2023), 5957 <<https://doi.org/10.3390/su15075957>>.

³⁰ Rahmad Hadi Nugroho, Ely Susanto, and Samsubar Saleh, 'Imperfect Market Competition Theory on Foreign Direct Investment Using Regency-Level Data: Evidence from Indonesian Special Economic Zones', *Competitiveness Review: An International Business Journal*, 35.3 (2025), 601–20 <<https://doi.org/10.1108/CR-01-2024-0020>>.

³¹ Tsabita and Gunadi.

³² Jon S.T. Jon S T QuahQuah, 'Five Success Stories in Combating Corruption: Lessons for Policy Makers', *Asian Education and Development Studies*, 6.3 (2017), 275–89 <<https://doi.org/https://doi.org/10.1108/AEDS-03-2017-0031>>.

Results and Discussion

The Challenges in Anti-Corruption Law Enforcement within State-Owned Enterprises

When it comes to managing state-owned enterprises (SOEs), the separation of public and private responsibilities often leads to an institutional dilemma that traps SOEs as entities that could become a financial burden on the state while also serving as tools for national development. Many state-owned enterprises (SOEs) are still struggling with business pressures and can't compete with private corporations that focus on one thing and have greater freedom to make decisions.³³ Also, the large amount of money the State Budget (APBN) allocates to State Capital Participation (PMN) could make SOEs less likely to manage their own finances well, thereby making them more dependent on state financial support.³⁴ This circumstance indicates that the initial objective of SOEs to act as the principal catalyst for national economic development has not yet been fully achieved. To make SOEs critical tools for national economic growth, a more comprehensive state policy is needed. This policy should focus on improving corporate governance, strengthening internal oversight through the internal supervisory unit (inspectorate), and making government policies fairer when assigning state tasks that don't place undue strain on SOEs' ability to perform their jobs. The SOE Law, the State Finance Law, and the State Treasury Law govern state-owned enterprises (SOEs), making it hard for them to grow like private corporations.³⁵

But they should nevertheless comply with the Limited Liability Company Law, as they are private organizations, just like other strictly private businesses. In the end, the lack of clarity in SOE management practices stems from the confusion caused by this dual legal system in determining where corporate and state duties begin and end. The Constitutional Court's decision made it clear that SOE corporate accountability procedures must comply with the rules set out in the Limited Liability Company Law, especially regarding the business judgment rule.³⁶ As long as the directors run the company honestly and in line with its goals, losses suffered by SOEs are essentially corporate losses in this context. Still, the

³³ Saeful Yusuf and others, 'Assessing Iodine Levels in Diverse Indonesian Food Categories Using Epithermal Neutron Activation Analysis', *Journal of Food Composition and Analysis*, 139 (2025), 107129 <https://doi.org/10.1016/j.jfca.2024.107129>

³⁴ Qianbin Feng and others, 'Anti-Corruption Campaign and Capacity Utilization of State-Owned Enterprises: Evidence from China's Central Committee Inspection', *Economic Analysis and Policy*, 80 (2023), 319–46 <https://doi.org/10.1016/j.eap.2023.08.010>

³⁵ Akbar Baitullah and Indah Cahyani, 'Pengaturan Pengelolaan Dan Pengawasan Keuangan Negara Terhadap Badan Usaha Milik Negara (BUMN)', *INICIO LEGIS*, 2.2 (2021), 153–63 <https://doi.org/10.21107/il.v2i2.13049>

³⁶ I Gusti Ayu Made Asri Dwija Putri and others, 'Institutional Dynamics and Environmental Disclosures: Insights from Indonesia's Energy Sector', *Pacific Accounting Review*, 37.4 (2025), 592–615 <https://doi.org/10.1108/PAR-11-2024-0309>

directors could be held personally responsible for any losses that happen if the management doesn't follow the business judgment criterion. So, for SOEs to work at their best, they need to ensure that the law protects smart business decisions and improves business efficiency. The UUPT says that state-owned enterprises (SOEs) are separate from public institutions because they are corporations. Because of this status, the company must follow the UUPT, and the money invested in the firm in the form of corporate shares becomes a separate entity from its founders, meaning the founders and the company have different duties. Still, the state doesn't seem to want to separate its business from the public good.³⁷ So, if directors do anything for the company that costs the state money, they will have to deal with a problem and accusations of wrongdoing. Syamsul Bachri said that the prosecutor's office has the power to investigate and question people about corruption-related crimes that cost the public money. This is because the State Finance Law expands the definition of state finances beyond the APBN in the constitution to include all products and assets that may be valued in money, even those kept separate under SOE and Regionally Owned Enterprise (ROE).³⁸ State-owned enterprises (SOEs) are companies that the government establishes to ensure everyone has access to goods and services that the private sector hasn't yet provided (pioneer companies). They have two interests because they are both public and private organizations. This typically leads to ongoing losses and reduced concentration. This is partly because costs that arise outside of planning are hard to eliminate.³⁹

Another problem SOEs face is low asset optimization. The aggregated statistics say that the asset utilization ratio is perfect. Only 2% of the total assets, valued at more than 9,000 trillion rupiah, are ideal. This low level of asset optimization is due in part to high asset maintenance and management costs and to capital expenditures that don't necessarily align with the company's main business. Also, many state-owned businesses are having money problems because they have too much debt, which could make it hard for them to keep their operations going and even cause them to go bankrupt.⁴⁰

These problems show that the issues state-owned businesses (SOEs) face are not just related to how well they manage their assets and how well their managers do their jobs, but also to the laws that govern SOEs' financial standing in the state

³⁷ Paterson, Changwony, and Miller.

³⁸ Siwen Song and others, 'Political Legitimacy and CSR Reporting: Evidence from Non-SOEs in China', *Global Finance Journal*, 60 (2024), 100942 <https://doi.org/10.1016/j.gfj.2024.100942>

³⁹ Runarianu Rachmat and Suherman Suherman, 'Perlindungan Hukum Terhadap Kreditor Pemegang Jaminan Fidusia Terhadap Harta Debitor Yang Dinyatakan Pailit', *NATIONAL JOURNAL of LAW*, 3.2 (2020), 336–52 <https://doi.org/10.47313/njl.v3i2.921>

⁴⁰ Jibin Jose and others, 'Does Greater Creditor Protection Affect Firm Borrowings? Evidence from IBC', *Margin: The Journal of Applied Economic Research*, 14.2 (2020), 212–25 <https://doi.org/10.1177/0973801020904484>

financial system. In other words, the discussion over the status of state finances separate from SOEs and the effects of their accountability from a public law perspective is directly related to any losses resulting from poor management or financial trouble. As per Constitutional Court Decisions No. 48/PUU-XI/2013 and No. 62/PUU-XI/2013, the use of separate state funds must be included in the state budget. Because these different financial statuses are final and binding, they must be respected. This outcome indicates that the state will always be liable for any losses incurred by SOEs, given their status and role as economic entities under the state budget.⁴¹

In this situation, the government is trying to change how state asset management is run by creating new institutional procedures that are expected to make SOE management more effective, open, and accountable. One of the strategic steps was to set up an integrated state investment management agency. This organization is not only a tool for making the most of state-owned enterprise assets, but also part of the government's oversight and control system to ensure that state asset management aligns with good governance principles.⁴² As head of government, the President of the Republic of Indonesia uses presidential supervision to ensure that the administration of state institutions, including specialized agencies like Danantara, and the implementation of national strategic policies are in line with national development goals, good governance principles, and laws and regulations. By making it easier to manage public assets more efficiently and productively, Danantara could greatly strengthen Indonesia's national economy.⁴³

Danantara is intended to be a super-holding that will improve the effectiveness and efficiency of managing state assets, attract strategic investment, and strengthen Indonesia's position in the global value chain. Good governance, openness, and public and academic involvement in supervision are all important parts of making this work. If this approach is pursued, Danantara could be a powerful tool for accelerating economic growth and making the country more competitive on the global stage. Danantara has significant potential but also faces challenges that could make it less effective. Market distrust, management histories that raise questions, the possibility of political interference, and the threat of corruption, collusion, and nepotism are major problems that need to be addressed

⁴¹ Anak Agung KT Sudiana, Ni Putu Noni Suharyanti, and Umirov Fitrat Faxriddinovich, 'Assessing the Government's Commitment to Achieving Ecological Justice for Society', *Journal of Human Rights, Culture and Legal System*, 5.1 (2025), 91–123 <https://doi.org/10.53955/jhcls.v5i1.489>

⁴² Agus Riwanto and Sukarni Suryaningsih, 'Realizing Welfare State and Social Justice: A Perspective on Islamic Law', *Volksgeist: Jurnal Ilmu Hukum Dan Konstitusi*, 2022, 41–51 <https://doi.org/10.24090/volksgeist.v5i1.6430>

⁴³ Indrayanti Indrayanti, Nida Ulfia, and Taufik Hidayat, 'From Bureaucracy to Innovation: How Authentic Leadership and Empowerment Drive Change in Indonesian State-Owned Enterprises', *Journal of Open Innovation: Technology, Market, and Complexity*, 11.3 (2025), 100584 <https://doi.org/10.1016/j.joitmc.2025.100584>

immediately.⁴⁴ To address these problems, Danantara needs to make its decision-making more independent, open its asset management, and ensure its managers are highly honest and skilled. Independent Institutions and Public Oversight will also be necessary to make sure that Danantara is responsible for carrying out its mandate. Danantara not only helps the national economy but also lowers inequality and improves public well-being by redistributing wealth. The money generated from managing state assets can be used to fund programs that help people get out of poverty, empower small businesses, and build infrastructure that directly benefits the community. Danantara might improve people's access to essential services like education and healthcare, accelerate regional economic growth, and create new jobs if it implements the right investment plan. If it is run well, Danantara will not only be a strategic economic tool but also a key part of making Indonesia's economy flourish in a way that is both sustainable and open to everyone.⁴⁵

However, the potential for abuse of power in managing large sums of money cannot be separated from the strengthening and improvement of state asset management through businesses such as state-owned enterprises (SOEs) and investment super-holdings. In this context, complex organizational structures can be used to commit crimes such as corruption and the concealment of money derived from illegal activities, making it harder for law enforcement to do its job. In practice, companies can be used to hide or move money made through illegal means, making it much harder for the police to do their jobs. This situation highlights the need for corporate criminal liability as a legal tool to ensure that state-owned enterprises (SOEs) comply with criminal law rules that protect the interests of society and the state, as well as their economic duties.⁴⁶

Many people agree that the SOE environment is one of the places where authorities and employees are most likely to commit fraud. This aligns with the designation of corruption as an exceptional offense under Law Number 31 of 1999, in conjunction with Law Number 20 of 2001 on the Elimination of Corruption-Related Criminal Acts. This qualification is based on the idea that corruption not

⁴⁴ Anisah Alfada, 'The Destructive Effect of Corruption on Economic Growth in Indonesia: A Threshold Model', *Heliyon*, 5.10 (2019), e02649 <https://doi.org/https://doi.org/10.1016/j.heliyon.2019.e02649>

⁴⁵ Fuad Rakhman, 'Can Partially Privatized SOEs Outperform Fully Private Firms? Evidence from Indonesia', *Research in International Business and Finance*, 45, January 2016 (2018), 285–92 <https://doi.org/10.1016/j.ribaf.2017.07.160>

⁴⁶ Cong Nie, Xueren Zhang, and Yue Yang, 'Anti-Corruption Campaign and SOEs Innovation: The Role of the Central Inspection Group in China', *International Review of Economics & Finance*, 96 (2024), 103544 <https://doi.org/10.1016/j.iref.2024.103544>

only costs the government money but also harms people's economic rights and slows the country's social, political, and cultural growth.⁴⁷

Law Number 31 of 1999, as amended by Law Number 20 of 2001, states that a fine is one way to punish corrupt individuals. Imposing fines on state-owned companies (SOEs) for corruption that costs the state money is a legal issue. This is because state-owned businesses (SOEs) are part of state assets, even though they are recognized as legal entities that can be held criminally responsible.⁴⁸ Because of this, giving someone a fine or making them pay back money creates a problem because it can be seen as a "state pays to state" system. This situation definitely keeps inequality going.⁴⁹ No matter what the criminal punishment is, whether it's closing the company or something else, the state will lose money on the capital or shares invested. This will also mean that the goal of creating a State-Owned Enterprise (SOE) to provide livelihoods for many people will be lost. At the moment, there are no rules for how SOEs, which are companies that have been found guilty of corruption, should pay their criminal fines. Because of this, it can be hard to pursue criminal fines against state-owned enterprises (SOEs) as businesses.⁵⁰

The problem is made worse by the fact that Indonesian laws and regulations on corruption by state-owned enterprises (SOEs) lack a clear definition of public finances or state losses. This conceptual conflict is evident in the regulation of state-owned enterprises (SOEs) that operate as limited-liability firms (Persero). It is more accurate to call the losses of state-owned enterprises (SOEs) that operate as limited liability corporations (Persero) corporate losses rather than state losses. This is because these losses are considered business risks and are governed by private law. However, the general explanation of the Corruption Eradication Law makes clear that distinct state investments remain part of state finances and are therefore subject to public law.⁵¹ This conceptual difference makes it harder to figure out where corporate losses end and state losses begin in corruption investigations involving SOEs. It is hard to figure out when the state lost money,

⁴⁷ Hongjun Sun and Zhao Duan, 'Corruption and ESG Greenwashing', *Finance Research Letters*, 87 (2026), 109034 <https://doi.org/10.1016/j.frl.2025.109034>

⁴⁸ Yogi Setya Permana, 'The Collusion Trap: Business - Political Collusion and Flood Risk Management in Indonesia', *International Journal of Disaster Risk Reduction*, 122 (2025), 105408 <https://doi.org/10.1016/j.ijdr.2025.105408>

⁴⁹ N. Nurlaela Arief and others, 'Employee Influencer Management: Evidence from State-Owned Enterprises in Indonesia', *Journal of Communication Management*, 26.2 (2022), 166–86 <https://doi.org/10.1108/JCOM-03-2021-0031>

⁵⁰ Jawade Hafidz and others, 'The Corruption Reduction with an Administrative Law Approach: Evidence from Australia', *Journal of Human Rights, Culture and Legal System*, 4.3 (2024), 822–41 <https://doi.org/10.53955/jhcls.v4i3.396>

⁵¹ Muhamad Rizal, R. Anang Muftiadi, and Agus Taryana, 'Integration of ESG Principles in Business Law: Why Should Indonesian Companies Care?', *Social Sciences & Humanities Open*, 13 (2026), 102447 <https://doi.org/10.1016/j.ssaho.2026.102447>

how much it lost due to corruption, and how much it would cost to make criminals pay, given different interpretations of these laws and rules. This also makes it even harder to build a case in court to eliminate corruption. The amendment to Law Number 19 of 2003 by Law Number 1 of 2025 has sparked controversy over the possible reduction in oversight of corruption in State-Owned Enterprises (SOEs). Law Number 1 of 2025, the third change to Law Number 19 of 2003 on State-Owned Enterprises (SOEs), amends many provisions of that law.⁵² The formation of SOEs is based on the principles of economic democracy, which include togetherness, fair efficiency, sustainability, environmental awareness, maintaining balance, progress, and unity in the national economy, and solid corporate governance. As the Head of Government, the President oversees state-owned enterprises (SOEs). This is part of the state government's power over state financial management. However, it is crucial to be careful during implementation to avoid weakening the concepts of openness, accountability, and supervision, which underpin good public governance. Law 1/2025 says that SOE losses are not necessarily seen as state losses because SOEs are seen as businesses with their own assets. Additionally, the legal definition of state losses and the distinction between business risks and criminal corruption may change, as the amended State-Owned Enterprises Law strengthens the business judgment rule.⁵³

This description indicates that the principal impediment to the enforcement of anti-corruption legislation within State-Owned Enterprises is not solely due to insufficient corporate governance; it also stems from the unclear legal framework governing the relationship between state and corporate assets. The legal system's division between public and private law makes it hard to distinguish between legal commercial risks and corrupt activities that harm the state. This situation indicates that reforming the enforcement of anti-corruption laws in State-Owned Enterprises requires a strategy that prioritizes enforcement while also necessitating the reconfiguration of a legal framework that balances the tenet of justice in legal accountability with the effectiveness of corporate governance. If efforts to get rid of corruption in the State-Owned Enterprises sector lack a clear idea of where the line lies between boosting economic efficiency and holding people accountable for the management of state assets, there is a risk of a dilemma.⁵⁴

⁵² Massimiliano Calì and others, 'Trade Policy and Exporters' Resilience: Evidence from Indonesia', *Journal of Development Economics*, 179 (2026), 103561 <https://doi.org/10.1016/j.jdeveco.2025.103561>

⁵³ Abdul Kadir Jaelani and others, 'Legal Protection of Employee Wage Rights in Bankrupt Companies: Evidence from China', *Legality: Jurnal Ilmiah Hukum*, 31.2 (2023), 202–23 <https://doi.org/10.22219/ljih.v31i2.25874>

⁵⁴ Ye and others.

Analysis of Anti-Corruption Governance in State-Owned Enterprises: Lessons from Singapore

The management system of State-Owned Enterprises in Singapore is based on an institutional model that clearly separates the state's role as a policymaker from the corporation's role as a commercial actor. Unlike many emerging countries, Singapore uses a corporatist model by creating a state investment company that holds large stakes in many important companies. The goal of this model is to ensure that firm management adheres to the principles of business efficiency and professionalism, without being directly affected by the ups and downs of government politics.⁵⁵

The Singaporean government has chosen Temasek Holdings to manage state shares within this framework. Temasek is a sovereign holding corporation that manages the state's investments in a number of important enterprises, both in Singapore and around the world. Temasek is a business investment corporation that adheres to principles of good corporate governance, market transparency, and corporate accountability. This is different from ministries or government agencies that are responsible for making rules. Temasek is a shareholder that is involved in practice, but it does not run the corporation. This lets the company's leaders remain independent when making business decisions based on their professional judgment.⁵⁶

The institutional architecture of the government's ownership structure of Temasek-owned enterprises is clear, as it differs significantly from the bureaucratic organization of the state. The Singaporean government doesn't run SOEs directly through ministries. Instead, it runs them through Temasek, a state investment company that owns shares in them. So, even though the state is the biggest shareholder and indirectly owns the companies in Temasek's portfolio, company law and market forces nonetheless control them. This framework lets businesses compete worldwide without dealing with the red tape common in government agencies.⁵⁷ In the end, this institutional arrangement makes it clear that the state is a regulator and the company is a business player. The Singaporean government keeps its regulatory role through economic policy and market regulation. Professional management is responsible for running the company and accountable to shareholders through corporate governance systems. This

⁵⁵ João Paiva-Silva, 'Understanding the Singaporean Approach to State Ownership: "Commercially Viable Strategic Alignment" in Historical Perspective', *Structural Change and Economic Dynamics*, 61 (2022), 43–58 <https://doi.org/10.1016/j.strueco.2021.10.014>

⁵⁶ Claudia Curi, Paolo Mancuso, and Alessandro Scarpa, 'State-Owned Enterprises: A Bibliometric Review and Research Agenda', *Finance Research Letters*, 74 (2025), 106749 <https://doi.org/10.1016/j.frl.2025.106749>

⁵⁷ Roberto Cardinale, Matteo Landoni, and Zhifu Mi, 'Global State-Owned Enterprises in the 21st Century: Rethinking Their Contribution to Structural Change, Innovation, and Public Policy', *Structural Change and Economic Dynamics*, 68 (2024), 468–72 <https://doi.org/10.1016/j.strueco.2024.01.013>

separation greatly reduces the likelihood that politics will affect the business decisions of state-owned companies. By putting SOE administration within a professional, market-based corporate structure, Singapore has made its governance system more open, responsible, and efficient. This institutional design also helps create a more objective oversight system in the fight against corruption. This is because business decisions are no longer directly affected by short-term political interests, but by economic factors and good corporate governance.⁵⁸

The Corrupt Practices Investigation Bureau (CPIB) is a Singaporean specialist organization that ensures compliance with corruption laws. This agency can look into a wide range of matters, including government officials, employees of state-owned businesses, and private-sector businesspeople. The CPIB can also audit bank accounts, take documents, and call witnesses without going through much red tape. These strong investigative skills make the law enforcement process move along quickly and effectively. The CPIB can also report directly to the Prime Minister on the results of its investigations. Because of this, the agency is not formally subservient to any particular ministry, which could create a conflict of interest.⁵⁹ From an institutional point of view, one of the most important parts of Singapore's anti-corruption system is that the CPIB is relatively free to do its job of investigating. Legal arrangements ensure that inquiries of senior state officials can be forwarded without significant political obstacles, even though they are administratively situated within the Prime Minister's office. A bureaucratic culture that values the integrity of the state machinery and a pay system for public officials that rewards them for their work also helps keep this independence. This reduces the likelihood of conflicts of interest. In this environment, the institutional framework for combating corruption relies on the unwavering enforcement of state policy to uphold bureaucratic professionalism, alongside the bolstering of legal authority.⁶⁰

The consistent imposition of penalties on corrupt individuals in Singapore, regardless of their economic or official status, exemplifies the country's anti-corruption law enforcement apparatus. Both government officials and businesspeople who are found to be extorting or abusing their power are subject to strict criminal penalties. This strategy makes people more-sure that state institutions are honest and has a strong deterrent effect. Because of its clear

⁵⁸ Xiyong Dong, Changhong Li, and Seong-Min Yoon, 'How Can Investors Build a Better Portfolio in Small Open Economies? Evidence from Asia's Four Little Dragons', *The North American Journal of Economics and Finance*, 58 (2021), 101500 <https://doi.org/10.1016/j.najef.2021.101500>

⁵⁹ Maurizio La Rocca and others, 'The Misconduct Ripple: How Corruption and Unethical Practices Affect Performance across Firm Age and Size', *Management Decision*, 63.13 (2025), 686–713 <https://doi.org/10.1108/MD-11-2024-2525>

⁶⁰ Martin Stojanovikj, 'Can Inflation Targeting Reduce Price Information Asymmetry and Alleviate Corruptive Behavior? Evidence from Developing Countries', *Economic Systems*, 46.3 (2022), 100986 <https://doi.org/10.1016/j.ecosys.2022.100986>

legislative framework, strong investigative powers, and independence of law enforcement organizations, Singapore's anti-corruption system is often seen as one of the best in Asia. But Singapore's political and administrative environment is also quite stable and centralized, which helps it work well. As a result, the model cannot always be directly replicated in other nations without modifications to each country's institutional framework and internal political dynamics.⁶¹

In Singapore's state-owned company governance, efforts to curb corruption depend on improving both state law enforcement procedures and internal corporate compliance processes. As part of modern corporate governance norms, companies in the Temasek Holdings portfolio are typically required to establish strict compliance procedures. These systems include compliance supervision methods, internal reporting procedures, and anti-bribery regulations. Specialized units, such as compliance officers or company audit committees, are responsible for putting them in place. This paradigm means law enforcement is no longer solely responsible for stopping corruption. Instead, it is now an institutional duty of businesses to keep their operations honest.⁶² From an institutional perspective, one of the most important aspects of Singapore's anti-corruption system is that the CPIB is relatively free to do its job as an investigator. Even though they are technically part of the Prime Minister's office, legislative protections ensure that investigations into high-ranking state officials can proceed without too many political problems. A bureaucratic culture that values the integrity of the state machinery and a competitive pay structure for public officials, which strengthens this independence, also reduces the likelihood of conflicts of interest. The institutional framework for anti-corruption eradication relies on the unwavering implementation of state policy to uphold bureaucratic professionalism and strengthen legal authority in this context.⁶³

The fact that Singapore's anti-corruption law enforcement system punishes corrupt individuals, regardless of their wealth or power, is another sign of its effectiveness. Law enforcement is quite strict with government officials and businesspeople who are discovered to be involved in extortion or abuse of authority. This approach creates a strong deterrent impact and makes people state institutions are honest. Because of its clear legal structure, strong investigative capabilities, and independence from law enforcement authorities, Singapore's anti-corruption system is often seen as one of the best in Asia. Singapore's effectiveness is also shaped by its relatively stable and centralized political and administrative

⁶¹ Yanjun Wu, Wenchuan Chen, and Han Yan, 'The Accountability System for Operation and Investment and Audit Quality of State-Owned Enterprises', *International Review of Financial Analysis*, 96 (2024), 103680 <https://doi.org/10.1016/j.irfa.2024.103680>

⁶² Wu, Chen, and Yan.

⁶³ Yutaka Suzuki, "'Controlled Competition': How Governments Can Induce Long-Term Competition", *Journal of Government and Economics*, 14 (2024), 100111 <https://doi.org/10.1016/j.jge.2024.100111>

environment. Consequently, the model is not invariably repeatable in other nations without modifications to each country's institutional framework and internal political dynamics.⁶⁴

For Singapore's state-owned enterprises to eliminate corruption, they need to strengthen their internal compliance procedures and state law enforcement systems. As part of modern corporate governance norms, most companies in Temasek Holdings' portfolio must have strict compliance procedures in place. Compliance oversight methods, internal reporting procedures, and anti-bribery regulations make up these systems. Specialized units, such as compliance officers or business audit committees, implement these policies. It is no longer just law enforcement's job to stop corruption; now it is businesses' responsibility to keep their operations honest by using this framework. Another important lesson is that consistently following good corporate governance standards is a good way to make businesses more responsible. The unclear position of public and private businesses in Indonesia still makes it hard for state-owned companies (SOEs), and it often makes it hard to distinguish between commercial risks and corruption. Singapore's experience shows that management can make business decisions with legal certainty by establishing defined ownership structures and robust corporate governance. In this context, the reform of state-owned enterprises (SOEs) in Indonesia should focus on establishing a governance system that balances the need for companies to operate effectively in a competitive market with the safeguarding of public finances.⁶⁵

However, applying Singapore's lessons directly is not feasible without considering the distinct institutional, political, and economic settings of each country. Because Singapore's economy is smaller and its government is more centralized, the government can keep a closer eye on state-owned businesses. Indonesia, on the other hand, has a more complex economic and institutional structure, with many more state-owned enterprises (SOEs) and a wider range of business sectors. As a result, Indonesia's SOE reform must include the basic ideas that have worked in Singapore, such as separating the roles of regulators and operators, strengthening corporate compliance systems, and making law enforcement agencies independent. But it's also vital to consider the specific features of the national law and governance system. This flexible method is expected to make the management of state-owned enterprises in Indonesia more

⁶⁴ V. Vishakha and others, 'Understanding Parental Decision-Making for Childhood Influenza Vaccination in Singapore: A Qualitative Study', *International Journal of Infectious Diseases*, 101 (2020), 472–73 <https://doi.org/10.1016/j.ijid.2020.09.1237>

⁶⁵ Barry Ackers and Adeyemi Adebayo, 'The Adoption of Integrated Reporting by State-Owned Enterprises (SOEs) – an International Comparison', *Social Responsibility Journal*, 18.8 (2022), 1587–1612 <https://doi.org/10.1108/SRJ-05-2021-0194>

efficient and strengthen the system for preventing corruption in a long-lasting way through SOE reform.⁶⁶

In this perspective, incorporating economic efficiency principles alongside the notion of justice within the legal framework can be seen as an effort to emulate best practices from nations like Singapore in reforming state-owned enterprise governance. This strategy aims to address two common problems that arise in state-owned businesses: being too lenient, which allows people to abuse their power, and being too strict, which makes it hard for businesses to make decisions. The Law and Economics framework can help Indonesia's SOE reform move toward a legal structure that not only curtails corruption but also enables corporate management to conduct business efficiently. Consequently, the ideals of efficiency and justice are not depicted as conflicting objectives; rather, they represent two elements that must be implemented concurrently to achieve SOE governance that is both sustainable and characterized by high integrity.⁶⁷

Anti-Corruption Law Enforcement in State-Owned Enterprises: Integrating Efficiency and Justice

The strict enforcement of anti-corruption laws and legislative reform improves the investment climate. These changes not only have moral effects but also have significant economic effects. This is done by reducing business risks and ensuring that the law is clear. Investors usually don't put their money into countries with high corruption, since it increases business risks and costs. From an economic perspective, corruption can be viewed as a hidden cost that distorts markets and increases transaction costs. By strengthening anti-corruption agencies, ensuring strict punishments for breaking the law, and clarifying rules, countries may create a clean, interconnected corporate ecosystem. However, these measures will only work if the law is consistently enforced and regulatory regimes governing key sectors are brought together.⁶⁸ A significant decrease in the corruption perception index positively influences the advancement of foreign direct investment (FDI), and a robust association exists between economic growth and legal transparency. In this case, the legislation is both a repressive tool and a market signal that shows how confident investors are. Transparent and accountable rules will make the business world more competitive. Laws governing key areas such as energy, natural resources, and infrastructure must enable the private sector and state-

⁶⁶ Agung Andiojaya, 'Do Stronger Anti Money Laundering (AML) Measures Reduce Crime? An Empirical Study on Corruption, Bribery, and Environmental Crime', *Journal of Economic Criminology*, 8 (2025), 100157 <https://doi.org/10.1016/j.jeconc.2025.100157>

⁶⁷ Evy Rahman Utami and Zuni Barokah, 'The Determinants of Corporate Anti-Corruption Disclosures: Evidence from Construction Companies in the Asia-Pacific', *Corporate Governance: The International Journal of Business in Society*, 24.6 (2024), 1414–41 <https://doi.org/10.1108/CG-04-2023-0152>

⁶⁸ Hanming Fang and Rongjie Zhang, 'Corruption Stereotype and the Unintended Consequences of an Anti-Corruption Campaign: Evidence from the Real Estate Sector in China', *Journal of Public Economics*, 249 (2025), 105474 <https://doi.org/10.1016/j.jpubeco.2025.105474>

owned companies (SOEs) to compete on an equal footing. Discriminatory and unclear rules will make it harder for new investors to come in. Investors face substantial difficulties due to regulatory fragmentation and multiple requirements, which create legal ambiguity.⁶⁹

A legal strategy grounded in the idea of "rules" can help eliminate corruption, making the public sector more accountable, open, and honest. This method can also be used to establish a more robust oversight and governance structure. A rules-based strategy is not enough on its own; it needs to be combined with the internalization of values and the creation of incentives that encourage people to follow the rules. The absorption of anti-corruption ideas and instruction from a young age makes law a moral and ethical guidance for how people should behave in society. In addition to being a means of command and control, the law also sets standards that affect how people operate in business.⁷⁰

When using this analytical method, you should always think about the economic side of things, and you should never forget about the justice side. Within this perspective, justice is understood as an economic criterion that encompasses value, utility, and efficiency, alongside its normative interpretation. In this context, the economic analysis of law might examine the expropriation of assets without punishment from two viewpoints. One of these points of view is how sensible the person who did it is. The primary premise linking this notion of rationality to criminal law is that criminals are economically rational beings who assess the costs of their actions against the rewards they obtain. If the advantages of the crime are greater than the consequences, the person who did it is more likely to do it again. On the other hand, the person who did it is more likely to change their mind if the expenses exceed the benefits they expected. In other words, people act in a way that maximizes the benefits they can get (people act in a way that maximizes their utility).⁷¹

In the case of NCB Asset Forfeiture, asset confiscation is very important because it significantly reduces criminals' profits, making them less likely to commit crimes (deterrence). This strategy works better than traditional punishments because it goes straight to the heart of the problem: the desire to get rich. People who commit crimes for money, like corruption, are more afraid of losing their

⁶⁹ Li Wang, Dongqian Qin, and Lu Pan, 'The Impact of Accountability for Illegal Operation and Investment on Investment Efficiency of SOEs: Evidence from China', *Economic Analysis and Policy*, 86 (2025), 731–48 <https://doi.org/10.1016/j.eap.2025.04.007>

⁷⁰ Song and others.

⁷¹ Ade Paranata, 'The Miracle of Anti-Corruption Efforts and Regional Fiscal Independence in Plugging Budget Leakage: Evidence from Western and Eastern Indonesia', *Heliyon*, 8.10 (2022), e11153 <https://doi.org/10.1016/j.heliyon.2022.e11153>

money than they are of going to jail or even getting the death penalty.⁷² The Economic Analysis of Law is also greatly affected by the idea that law enforcement policy should be as efficient as possible. In addition to the success of punishing the criminal, efficiency is also based on how well police resources are used and how quickly the state can recover from losses.⁷³ As a result, the use of NCB Asset Forfeiture is expected to reduce the overuse of law enforcement resources, since this method places less emphasis on lengthy court cases, even though it has a good chance of recovering state funds. So, for methods like NCB Asset Forfeiture to reduce criminals' economic incentives, the law enforcement system needs to be set up so that it relies not only on prosecution but also on preventive measures in the operation of state-owned businesses. Also, the current way of doing law enforcement, which is based on repression (ex post enforcement), is not good enough to deal with the complexities of corruption in government-owned businesses. The prevalence of an enforcement approach that is not balanced by system-based prevention methods can lead to over-deterrence, making it hard for businesses to make good decisions. This might ultimately undermine the organization's effectiveness and performance and contradict the principle of reason in Law and Economics, which emphasizes the importance of combining legal risk management with business autonomy.⁷⁴

On the other hand, the independence of law enforcement can be threatened by the possibility of political interference in cases involving state-owned businesses. Because state-owned businesses are important tools of state economic strategy, the law enforcement process is often affected by certain political interests, which may include pressure to speed up, slow down, or even stop case proceedings. This circumstance not only goes against the idea that everyone is equal under the law, but it also makes people less sure that the legal system is fair. As a result, the institutional flaws in the law enforcement of corruption in state-owned enterprises are not only technical and operational; they also reveal structural problems that require a complete redesign of the authority, inter-institutional coordination, and guarantees of independence in the criminal justice system.⁷⁵

In Indonesia, the legal framework for state-owned enterprises needs to be rebuilt. This is an important step in finding a balance between enforcing corruption laws and meeting the needs of justice, economic efficiency, and legal

⁷² Faisal Faisal and others, 'The Content and Determinants of CSR Anti-Corruption Disclosure: The Case of Public-Listed Companies in Indonesia', *Journal of Financial Crime*, 29.3 (2022), 890–907 <https://doi.org/10.1108/JFC-07-2021-0155>

⁷³ Alfada.

⁷⁴ Kiky Srirejeki and Khairurrizqo Khairurrizqo, 'The Role of Community Engagement as Corruption Control Strategy in Local Governments: Insights from Indonesia', *International Journal of Public Sector Management*, 38.7 (2025), 872–94 <https://doi.org/10.1108/IJPSM-12-2024-0407>

⁷⁵ Imelda Suardi and others, 'The Acceptance of Procurement System in Affecting Corruption in the Indonesian Government: User Perspective', *Journal of Entrepreneurship and Public Policy*, 14.4 (2025), 561–83 <https://doi.org/10.1108/JEPP-05-2024-0077>

clarity. This reconstruction must be centered on creating a legal framework that is both fair and efficient. This framework should ensure legal certainty, economic efficiency, and substantive justice simultaneously. A key part is changing the meaning of the phrase "state losses," which is necessary to distinguish between losses arising from commercial risks and those arising from criminal conduct. So, it is important to ensure that the State-Owned Enterprises Law, the Corruption Eradication Law, and the Limited Liability Company Law work together. To follow the safe harbor principle, directors must also strengthen the business judgment rule. Institutionally, reconstruction must also focus on creating a more connected and independent institutional design.⁷⁶ When state-owned businesses have significant economic importance, it is crucial to strengthen the independence of law enforcement authorities so that the law enforcement process is not influenced by politics. It is also very important to have an integrated oversight system that combines state audit processes with corporate governance principles. This will ensure oversight is not simply done from the outside, but is also built into the business structure. Reforms could also include clearly separating government and business functions by strengthening the holding structure of state-owned enterprises (SOEs) through a professional superholding or a sovereign wealth fund approach. This is what Singapore is currently doing with Temasek Holdings. To keep corporate management independent and professional, political influence in SOE management must be limited.⁷⁷

Furthermore, incorporating compliance measures at the business level is essential to strengthening the corruption prevention system. It is necessary to make the requirement for SOEs to establish a compliance system part of good corporate governance. This involves making the whistleblower protection system safer and more effective. Also, setting up risk-based internal audit and investigation systems is an important way to identify problems early. This way, companies are not merely passive entities under surveillance, but active participants in the fight against corruption. It is also important to connect the corporate compliance system to the national law enforcement system to ensure that both preventive and repressive functions continue to work.⁷⁸

In the field of criminal justice, it is important to find a middle ground between being cost-effective and holding criminals accountable. To avoid the "state paying

⁷⁶ Muhammad Ridwansyah and Asron Orsantinutsakul, 'The Strengthening of Guardian Institutions in Nanggroe Aceh During the Autonomy Era', *Journal of Human Rights, Culture and Legal System* Vol., 2.1 (2022), 55–65 <https://doi.org/https://doi.org/10.53955/jhcls.v2i1.27>

⁷⁷ Lidya Agustina, SeTin SeTin, and Debbianita Debbianita, 'University Mission Statements and Anti-Fraud Disclosures: Public vs Private Universities in Indonesia', *Journal of Financial Crime*, 32.4 (2025), 790–803 <https://doi.org/10.1108/JFC-06-2024-0185>

⁷⁸ Boge Triatmanto and Suryaning Bawono, 'The Interplay of Corruption, Human Capital, and Unemployment in Indonesia: Implications for Economic Development', *Journal of Economic Criminology*, 2 (2023), 100031 <https://doi.org/https://doi.org/10.1016/j.jeconc.2023.100031>

to state" conundrum arising from criminal fines, the reformulation of corporate criminal liability must take into account that state-owned companies (SOEs) are responsible for managing state assets. So, developing alternative punishments, such as administrative, civil, and asset-recovery measures, is more important for recovering state losses without harming businesses' long-term health. Also, a restorative justice approach to corporate corruption cases might be seen as a way to prioritize improving governance and recovering losses over punishment. This reform also has big effects on the economy. As shown by the Law and Economics perspective, corruption eradication will become more effective, thereby improving the effectiveness and competitiveness of state-owned companies (SOEs) and reducing transaction costs arising from corrupt practices and legal uncertainties. Additionally, improving governance and legal certainty will lead to better SOE contributions to the state budget through dividends and taxes. This will boost investor confidence and strengthen the national economy.⁷⁹

The Efficiency-Justice-Based Anti-Corruption Enforcement Model is a way of working for police that combines repressive, preventive, and restorative methods into a clear framework. In theory, it is the suggested model. This model focuses on how criminal law, corporate law, and economic policy all depend on one another. It also features a system architecture that balances prevention and enforcement. So, the goal of reform is not merely to punish wrongdoers, but also to create a system that can effectively prevent corruption in the long run while promoting social justice and economic efficiency.⁸⁰

Conclusion

Corruption in Indonesia, especially in state-owned businesses (SOEs), is a structural and multidimensional problem. It is caused by insufficient law enforcement, inconsistent regulatory design, bad governance, cultural influences, and political interference. The initial duality of the legal regime between public and private law has created uncertainty in delineating the distinction between state losses and corporate losses. This has caused legal confusion, the danger of making too many business decisions illegal, and problems with corporate criminal culpability. The possibility of political interference in corporate governance, the inconsistency of legislation concerning the characterization of state finances, and the inadequate prosecution frameworks for state-owned enterprises worsen this issue. Secondly, Singapore's state-owned enterprises have a structured, professional institutional design based on the idea that the state should be separate from businesses when regulating them. This is how they set up their

⁷⁹ Jon S.T. Jon S T QuahQuah, 'Combating Police Corruption in Indonesia: Cleansing the Buaya (Crocodile)', *Asian Education and Development Studies*, 9.2 (2019), 129–43 <https://doi.org/10.1108/AEDS-04-2018-0088>

⁸⁰ Kanti Pertiwi, "'We Care about Others': Discursive Constructions of Corruption Vis-à-Vis National/Cultural Identity in Indonesia's Business-Government Relations', *Critical Perspectives on International Business*, 18.2 (2022), 157–77 <https://doi.org/10.1108/cpoib-03-2019-0025>

governance and corruption eradication model. Temasek Holdings, as a sovereign holding, is a very important part of setting up good, open governance with as little political interference as possible. This lets state-owned businesses compete in market systems without giving up their responsibility to the public. On the other hand, the Corrupt Practices Investigation Bureau's main job, relative independence, and persistent law enforcement against all players without prejudice, along with the robustness of the legal framework, make it easier to tackle corruption in Singapore. Third, Indonesian state-owned enterprises (SOEs) need to be completely rebuilt so they follow the principles of economic efficiency and legal justice in a way that makes sense. Anti-corruption law enforcement can't only be seen as a way to punish people. As a result, it is necessary to create a legal system that is both fair and efficient in order to fundamentally change the legal and institutional environment for SOEs. This reform means changing the definition of state losses, ensuring that rules across sectors work together, strengthening the business judgment rule, and creating structures that ensure law enforcement agencies are independent and work together. To create a long-lasting and effective anti-corruption system, it is also important to strengthen prevention by implementing a risk-based audit program, protecting whistleblowers, and ensuring that companies follow the rules. When it comes to criminalization, the most important question is how to reconcile criminal responsibility with economic efficiency. To keep businesses going, asset recovery and a restorative justice approach should be given priority over other punishments.

Acknowledgement

This article constitutes a component of the author's doctoral dissertation entitled "*Reformasi Proses Penegakan Hukum dalam Pemberantasan Tindak Pidana Korupsi di BUMN: Perspektif Economic Analysis of Law*," which the author prepared within the Doctoral Program in Law at Universitas Al Azhar Indonesia under the supervision of Prof. Dr. Suparji, S.H., M.H. and Prof. Dr. Pujiono Suwandi, S.H., M.H.

References

- Ackers, Barry, and Adeyemi Adebayo, 'The Adoption of Integrated Reporting by State-Owned Enterprises (SOEs) – an International Comparison', *Social Responsibility Journal*, 18.8 (2022), 1587–1612 <https://doi.org/10.1108/SRJ-05-2021-0194>
- Agustina, Lidya, SeTin SeTin, and Debbianita Debbianita, 'University Mission Statements and Anti-Fraud Disclosures: Public vs Private Universities in Indonesia', *Journal of Financial Crime*, 32.4 (2025), 790–803 <https://doi.org/10.1108/JFC-06-2024-0185>
- Alfada, Anisah, 'The Destructive Effect of Corruption on Economic Growth in Indonesia: A Threshold Model', *Heliyon*, 5.10 (2019), e02649 <https://doi.org/https://doi.org/10.1016/j.heliyon.2019.e02649>
- Ali, Mahrus, Syarif Nurhidayat, Muhammad Shidqon Prabowo, and Rusli Muhammad,

- 'Corruption, Asset Origin and the Criminal Case of Money Laundering in Indonesian Law', *Journal of Money Laundering Control*, 25.2 (2022), 455–66 <https://doi.org/10.1108/JMLC-03-2021-0022>
- Andiojaya, Agung, 'Do Stronger Anti Money Laundering (AML) Measures Reduce Crime? An Empirical Study on Corruption, Bribery, and Environmental Crime', *Journal of Economic Criminology*, 8 (2025), 100157 <https://doi.org/10.1016/j.jeconc.2025.100157>
- Arief, N. Nurlaela, Anne Gregory, Aria Bayu Pangestu, Dany Muhammad Athory Ramdlany, and I Made Ariya Sanjaya, 'Employee Influencer Management: Evidence from State-Owned Enterprises in Indonesia', *Journal of Communication Management*, 26.2 (2022), 166–86 <https://doi.org/10.1108/JCOM-03-2021-0031>
- Arifin, Ridwan, Cahya Wulandari, Muliadi, Indah Sri Utari, and Tri Imam Munandar, 'A Discourse of Justice and Legal Certainty in Stolen Assets Recovery in Indonesia: Analysis of Radbruch's Formula and Friedman's Theory', *Volksggeist: Jurnal Ilmu Hukum Dan Konstitusi*, 6.2 (2023), 159–81 <https://doi.org/10.24090/VOLKSGEIST.V6I2.9596>
- Arismaya, Anisa Dewi, 'WHISTLEBLOWING, KPK INDONESIA DAN CPIB SINGAPURA', *Aktiva: Jurnal Akuntansi Dan Investasi*, 6.2 (2021), 53 <https://doi.org/10.53712/aktiva.v6i2.1190>
- Asmara, Teguh Tresna Puja, Tarsisius Murwadji, Kartikasari, and Anita Afriana, 'Corporate Social Responsibility and Cooperatives Business Sustainability in Indonesia: Legal Perspective', *Sustainability*, 15.7 (2023), 5957 <https://doi.org/10.3390/su15075957>
- Baitullah, Akbar, and Indah Cahyani, 'Pengaturan Pengelolaan Dan Pengawasan Keuangan Negara Terhadap Badan Usaha Milik Negara (BUMN)', *INICIO LEGIS*, 2.2 (2021), 153–63 <https://doi.org/10.21107/il.v2i2.13049>
- — —, 'Pengaturan Pengelolaan Dan Pengawasan Keuangan Negara Terhadap Badan Usaha Milik Negara (BUMN)', *INICIO LEGIS*, 2.2 (2021), 153–63 <https://doi.org/10.21107/il.v2i2.13049>
- Calì, Massimiliano, Simón Caicedo Graciano, Devaki Ghose, Angella Faith Montfaucon, and Michele Ruta, 'Trade Policy and Exporters' Resilience: Evidence from Indonesia', *Journal of Development Economics*, 179 (2026), 103561 <https://doi.org/10.1016/j.jdeveco.2025.103561>
- Cardinale, Roberto, Matteo Landoni, and Zhifu Mi, 'Global State-Owned Enterprises in the 21st Century: Rethinking Their Contribution to Structural Change, Innovation, and Public Policy', *Structural Change and Economic Dynamics*, 68 (2024), 468–72 <https://doi.org/10.1016/j.strueco.2024.01.013>
- Curi, Claudia, Paolo Mancuso, and Alessandro Scarpa, 'State-Owned Enterprises: A Bibliometric Review and Research Agenda', *Finance Research Letters*, 74 (2025), 106749 <https://doi.org/10.1016/j.frl.2025.106749>
- Dong, Xiyong, Changhong Li, and Seong-Min Yoon, 'How Can Investors Build a Better Portfolio in Small Open Economies? Evidence from Asia's Four Little Dragons', *The North American Journal of Economics and Finance*, 58 (2021), 101500 <https://doi.org/10.1016/j.najef.2021.101500>

- Eryanto, Dedy, Iris van Eeden Jones, and Karin Lasthuizen, 'The Troubling Impact of Political Interference in Indonesian Public Sector Institutions on Ethical Leadership Credibility', *International Journal of Public Leadership*, 18.4 (2022), 319–36 <https://doi.org/10.1108/IJPL-10-2021-0056>
- Faisal, Faisal, Corina Joseph, Andriani Saputri, and Andri Prastiwi, 'The Content and Determinants of CSR Anti-Corruption Disclosure: The Case of Public-Listed Companies in Indonesia', *Journal of Financial Crime*, 29.3 (2022), 890–907 <https://doi.org/10.1108/JFC-07-2021-0155>
- Fang, Hanming, and Rongjie Zhang, 'Corruption Stereotype and the Unintended Consequences of an Anti-Corruption Campaign: Evidence from the Real Estate Sector in China', *Journal of Public Economics*, 249 (2025), 105474 <https://doi.org/10.1016/j.jpubeco.2025.105474>
- Feng, Qianbin, Xiao Hu, Xinyi Deng, and Jun Lu, 'Anti-Corruption Campaign and Capacity Utilization of State-Owned Enterprises: Evidence from China's Central Committee Inspection', *Economic Analysis and Policy*, 80 (2023), 319–46 <https://doi.org/10.1016/j.eap.2023.08.010>
- Hafidz, Jawade, Dini Amalia Fitri, Muhammad Azam, Achmad Arifullah, and Agus Prasetya Wiranto, 'The Corruption Reduction with an Administrative Law Approach: Evidence from Australia', *Journal of Human Rights, Culture and Legal System*, 4.3 (2024), 822–41 <https://doi.org/10.53955/jhcls.v4i3.396>
- Henke, Alexander, Fahad Khalil, and Jacques Lawarree, 'Honest Agents in a Corrupt Equilibrium', *Journal of Economics & Management Strategy*, 31.3 (2022), 762–83 <https://doi.org/10.1111/jems.12470>
- Imron, Ali, 'STOLEN ASSET RECOVERY TINDAK PIDANA KORUPSI (Pendekatan Sistem Pembalikan Beban Pembuktian Terhadap Aset Hasil Kejahatan Tindak Pidana Korupsi)', *Res Nullius Law Journal*, 6.2 (2024), 111–26 <https://doi.org/10.34010/RNLJ.V6I2.13013>
- Indrayanti, Indrayanti, Nida Ulfia, and Taufik Hidayat, 'From Bureaucracy to Innovation: How Authentic Leadership and Empowerment Drive Change in Indonesian State-Owned Enterprises', *Journal of Open Innovation: Technology, Market, and Complexity*, 11.3 (2025), 100584 <https://doi.org/10.1016/j.joitmc.2025.100584>
- Ishak, Nurfaika, Rahmad Ramadhan Hasibuan, and Tri Suhendra Arbani, 'Bureaucratic and Political Collaboration Towards a Good Governance System', *Bestuur*, 8.1 (2020), 19 <https://doi.org/10.20961/bestuur.v8i1.42922>
- Jaelani, Abdul Kadir, Ahmad Dwi Nuryanto, Rakotoarisoa Maminirina Fenitra, M. Misbahul Mujib, and Resti Dian Luthviati, 'Legal Protection of Employee Wage Rights in Bankrupt Companies: Evidence from China', *Legality: Jurnal Ilmiah Hukum*, 31.2 (2023), 202–23 <https://doi.org/10.22219/ljih.v31i2.25874>
- Jose, Jibin, Snehal S. Herwadkar, Prabal Bilantu, and Shihaz Abdul Razak, 'Does Greater Creditor Protection Affect Firm Borrowings? Evidence from IBC', *Margin: The Journal of Applied Economic Research*, 14.2 (2020), 212–25 <https://doi.org/10.1177/0973801020904484>

- Karianga, Hendra, 'Law Reform and Improving Asset Recovery in Indonesia: Contemporary Approach', *Journal of Law, Policy and Globalization*, 93.August 2014 (2020), 2018–21 <https://doi.org/10.7176/jlpg/93-15>
- Khlifi, Sawssen, and Ghazi Zouari, 'The Moderating Role of Good Corporate Governance on the Relationship between Corporate Social Responsibility and Real Earnings Management', *Journal of Accounting and Management Information Systems*, 21.4 (2022) <https://doi.org/10.24818/jamis.2022.04003>
- Koeswahyono, Imam, 'A Model of State-Owned Asset Management Based on Pancasila Values: Achieving the Highest and Best Use', *Arena Hukum*, 17.3 (2024), 465–89 <https://doi.org/10.21776/ub.arenahukum2024.01703.1>
- Mantiri, Meilani Dewinta Kristina, and Rizky Eriandani, 'CORPORATE GOVERNANCE CHARACTERISTICS AND CORPORATE SOCIAL RESPONSIBILITY', *Jurnal Akuntansi*, 12.2 (2022), 78–89 <https://doi.org/10.33369/j.akuntansi.12.2.78-89>
- Meiryani, Meiryani, Sani Muhamad Isa, and Johan Muliadi Kerta, 'Money Laundering in Corruption Cases in Indonesia', *Journal of Money Laundering Control*, 27.1 (2024), 127–38 <https://doi.org/10.1108/JMLC-05-2022-0069>
- Mustawa, Mustawa, Abd. Haris Hamid, and Sunardi Purwanda, 'Refund of State Financial Losses in Realizing the Welfare State of Law', *Amsir Law Journal*, 4.1 (2022), 51–61 <https://doi.org/10.36746/alj.v4i1.125>
- Nie, Cong, Xueren Zhang, and Yue Yang, 'Anti-Corruption Campaign and SOEs Innovation: The Role of the Central Inspection Group in China', *International Review of Economics & Finance*, 96 (2024), 103544 <https://doi.org/10.1016/j.iref.2024.103544>
- Nugroho, Rahmad Hadi, Ely Susanto, and Samsubar Saleh, 'Imperfect Market Competition Theory on Foreign Direct Investment Using Regency-Level Data: Evidence from Indonesian Special Economic Zones', *Competitiveness Review: An International Business Journal*, 35.3 (2025), 601–20 <https://doi.org/10.1108/CR-01-2024-0020>
- Paiva-Silva, João, 'Understanding the Singaporean Approach to State Ownership: "Commercially Viable Strategic Alignment" in Historical Perspective', *Structural Change and Economic Dynamics*, 61 (2022), 43–58 <https://doi.org/10.1016/j.strueco.2021.10.014>
- Paranata, Ade, 'The Miracle of Anti-Corruption Efforts and Regional Fiscal Independence in Plugging Budget Leakage: Evidence from Western and Eastern Indonesia', *Heliyon*, 8.10 (2022), e11153 <https://doi.org/10.1016/j.heliyon.2022.e11153>
- Paterson, Audrey S., Fredrick Changwony, and Peter B. Miller, 'Accounting Control, Governance and Anti-Corruption Initiatives in Public Sector Organisations', *The British Accounting Review*, 51.5 (2019), 100844 <https://doi.org/10.1016/j.bar.2019.100844>
- Permana, Yogi Setya, 'The Collusion Trap: Business - Political Collusion and Flood Risk Management in Indonesia', *International Journal of Disaster Risk Reduction*, 122 (2025), 105408 <https://doi.org/10.1016/j.ijdrr.2025.105408>

- Pertiwi, Kanti, “‘We Care about Others’: Discursive Constructions of Corruption Vis-à-Vis National/Cultural Identity in Indonesia’s Business-Government Relations’, *Critical Perspectives on International Business*, 18.2 (2022), 157–77 <https://doi.org/10.1108/cpoib-03-2019-0025>
- Putri, I Gusti Ayu Made Asri Dwija, Kartika Sari, Henny Triyana Hasibuan, Putu Agus Ardiana, Kadek Dwi Linda Yanthi, Ni Wayan Asri Pradnyani, and others, ‘Institutional Dynamics and Environmental Disclosures: Insights from Indonesia’s Energy Sector’, *Pacific Accounting Review*, 37.4 (2025), 592–615 <https://doi.org/10.1108/PAR-11-2024-0309>
- QuahQuah, Jon S.T.Jon S T, ‘Combating Police Corruption in Indonesia: Cleansing the Buaya (Crocodile)’, *Asian Education and Development Studies*, 9.2 (2019), 129–43 <https://doi.org/https://doi.org/10.1108/AEDS-04-2018-0088>
- — —, ‘Five Success Stories in Combating Corruption: Lessons for Policy Makers’, *Asian Education and Development Studies*, 6.3 (2017), 275–89 <https://doi.org/https://doi.org/10.1108/AEDS-03-2017-0031>
- Rachmat, Runarianu, and Suherman Suherman, ‘Perlindungan Hukum Terhadap Kreditor Pemegang Jaminan Fidusia Terhadap Harta Debitor Yang Dinyatakan Pailit’, *NATIONAL JOURNAL of LAW*, 3.2 (2020), 336–52 <https://doi.org/10.47313/njl.v3i2.921>
- Rakhman, Fuad, ‘Can Partially Privatized SOEs Outperform Fully Private Firms? Evidence from Indonesia’, *Research in International Business and Finance*, 45.January 2016 (2018), 285–92 <https://doi.org/10.1016/j.ribaf.2017.07.160>
- Redi, Ahmad, and Josua Victor, ‘The Impact of Good Corporate Governance Implementation on Crime Prevention in State-Owned Enterprises’, in *Proceedings of the 3rd Multidisciplinary International Conference, MIC 2023, 28 October 2023, Jakarta, Indonesia* (EAI, 2023) <https://doi.org/10.4108/eai.28-10-2023.2341804>
- Ridwansyah, Muhammad, and Asron Orsantinutsakul, ‘The Strengthening of Guardian Institutions in Nanggroe Aceh During the Autonomy Era’, *Journal of Human Rights, Culture and Legal System Vol.*, 2.1 (2022), 55–65 <https://doi.org/https://doi.org/10.53955/jhcls.v2i1.27>
- Riwanto, Agus, and Sukarni Suryaningsih, ‘Realizing Welfare State and Social Justice: A Perspective on Islamic Law’, *Volksgeist: Jurnal Ilmu Hukum Dan Konstitusi*, 2022, 41–51 <https://doi.org/10.24090/volksgeist.v5i1.6430>
- Rizal, Muhamad, R. Anang Muftiadi, and Agus Taryana, ‘Integration of ESG Principles in Business Law: Why Should Indonesian Companies Care?’, *Social Sciences & Humanities Open*, 13 (2026), 102447 <https://doi.org/10.1016/j.ssaho.2026.102447>
- La Rocca, Maurizio, Francisco Javier Sanchez-Vidal, Francesco Fasano, and Elvira Tiziana La Rocca, ‘The Misconduct Ripple: How Corruption and Unethical Practices Affect Performance across Firm Age and Size’, *Management Decision*, 63.13 (2025), 686–713 <https://doi.org/10.1108/MD-11-2024-2525>
- Saikhu, Saikhu, Djoko Suhardjanto, Agung Nur Probohudono, and Wahyu Widarjo, ‘A Systematic Review of Fraud: An Overview of State-Owned Enterprises’, *Cogent Business & Management*, 12.1 (2025) <https://doi.org/10.1080/23311975.2025.2518493>

- Samari, Wahyu, 'GOOD CORPORATE GOVERNANCE IMPLEMENTATION AS A PERFORMANCE AND COMPANY VALUE', *Dinasti International Journal of Economics, Finance & Accounting*, 1.3 (2020), 526–37 <https://doi.org/10.38035/dijefa.v1i3.452>
- Sitepu, Sopian, 'State Owned Enterprises Finance from the Perspective of State Funds', *Yuridika*, 35.2 (2019), 363 <https://doi.org/10.20473/ydk.v35i2.16874>
- Song, Siwen, Aelee Jun, Tianpei Luo, and Shiguang Ma, 'Political Legitimacy and CSR Reporting: Evidence from Non-SOEs in China', *Global Finance Journal*, 60 (2024), 100942 <https://doi.org/10.1016/j.gfj.2024.100942>
- Srirejeki, Kiky, and Khairurrizqo Khairurrizqo, 'The Role of Community Engagement as Corruption Control Strategy in Local Governments: Insights from Indonesia', *International Journal of Public Sector Management*, 38.7 (2025), 872–94 <https://doi.org/10.1108/IJPSM-12-2024-0407>
- Stojanovikj, Martin, 'Can Inflation Targeting Reduce Price Information Asymmetry and Alleviate Corruptive Behavior? Evidence from Developing Countries', *Economic Systems*, 46.3 (2022), 100986 <https://doi.org/10.1016/j.ecosys.2022.100986>
- Suardi, Imelda, Hilda Rossietta, Vera Diyanty, and Chaerul Djakman, 'The Acceptance of Procurement System in Affecting Corruption in the Indonesian Government: User Perspective', *Journal of Entrepreneurship and Public Policy*, 14.4 (2025), 561–83 <https://doi.org/10.1108/JEPP-05-2024-0077>
- Subiyanto, Effnu, 'Excessive Investment Failure Corporate Strategy: A Case Study of the Bankruptcy of the State-Owned Indonesia Airline Garuda Indonesia', *Case Studies on Transport Policy*, 10.2 (2022), 1401–6 <https://doi.org/10.1016/j.cstp.2022.05.005>
- Sudiana, Anak Agung KT, Ni Putu Noni Suharyanti, and Umirov Fitrat Faxriddinovich, 'Assessing the Government's Commitment to Achieving Ecological Justice for Society', *Journal of Human Rights, Culture and Legal System*, 5.1 (2025), 91–123 <https://doi.org/10.53955/jhcls.v5i1.489>
- Sumarta, Nurmadi Harsa, Mugi Rahardjo, Kingkin Kurnia Trio Satriya, Edy Supriyono, and Prihatnolo Gandhi Amidjaya, 'Bank Ownership Structure and Reputation through Sustainability Reporting in Indonesia', *Social Responsibility Journal*, 19.6 (2023), 989–1002 <https://doi.org/10.1108/SRJ-01-2021-0024>
- Sun, Hongjun, and Zhao Duan, 'Corruption and ESG Greenwashing', *Finance Research Letters*, 87 (2026), 109034 <https://doi.org/10.1016/j.frl.2025.109034>
- Suzuki, Yutaka, "'Controlled Competition": How Governments Can Induce Long-Term Competition', *Journal of Government and Economics*, 14 (2024), 100111 <https://doi.org/10.1016/j.jge.2024.100111>
- Szczepaniak, Małgorzata, Andrzej Geise, and Nurul Bariyah, 'Impact of Institutional Determinants on Income Inequalities in Indonesia during the Era Reformasi', *Journal of Asian Economics*, 82 (2022), 101526 <https://doi.org/10.1016/j.asieco.2022.101526>
- Triatmanto, Boge, and Suryaning Bawono, 'The Interplay of Corruption, Human Capital, and Unemployment in Indonesia: Implications for Economic Development', *Journal of*

- Economic Criminology*, 2 (2023), 100031
<https://doi.org/https://doi.org/10.1016/j.jeconc.2023.100031>
- Tsabita, Nabilla Mahva, and Ariawan Gunadi, 'Corporate Governance Failures Leading to Bankruptcy in State-Owned Enterprises (SOEs) Subsidiaries', *Academia Open*, 10.2 (2025) <https://doi.org/10.21070/acopen.10.2025.12991>
- Utami, Evy Rahman, and Zuni Barokah, 'The Determinants of Corporate Anti-Corruption Disclosures: Evidence from Construction Companies in the Asia-Pacific', *Corporate Governance: The International Journal of Business in Society*, 24.6 (2024), 1414–41
<https://doi.org/10.1108/CG-04-2023-0152>
- Vishakha, V., V. Offeddu, P.M. Soe, and C. Tam, 'Understanding Parental Decision-Making for Childhood Influenza Vaccination in Singapore: A Qualitative Study', *International Journal of Infectious Diseases*, 101 (2020), 472–73
<https://doi.org/10.1016/j.ijid.2020.09.1237>
- Waluyo, Waluyo, Hilaire Tegnan, and Noni Oktiana Setiowati, 'Aligning State Finance Regulations with SOE Bankruptcy Policy: Evidence from the United States', *Journal of Human Rights, Culture and Legal System*, 5.1 (2025), 246–78
<https://doi.org/10.53955/jhcls.v5i1.470>
- Wang, Li, Dongqian Qin, and Lu Pan, 'The Impact of Accountability for Illegal Operation and Investment on Investment Efficiency of SOEs: Evidence from China', *Economic Analysis and Policy*, 86 (2025), 731–48 <https://doi.org/10.1016/j.eap.2025.04.007>
- Wu, Yanjun, Wenchuan Chen, and Han Yan, 'The Accountability System for Operation and Investment and Audit Quality of State-Owned Enterprises', *International Review of Financial Analysis*, 96 (2024), 103680 <https://doi.org/10.1016/j.irfa.2024.103680>
- Ye, Songqin, Jiangjiarui Zeng, Feimei Liao, and Jin Huang, 'Policy Burden of State-Owned Enterprises and Efficiency of Credit Resource Allocation: Evidence from China', *SAGE Open*, 11.1 (2021) <https://doi.org/10.1177/21582440211005467>
- Yusuf, Saeful, Sutisna, Th. Rina Mulyaningsih, Nadya Nurdini, Ferly Hermana, Adel Fisli, and others, 'Assessing Iodine Levels in Diverse Indonesian Food Categories Using Epithermal Neutron Activation Analysis', *Journal of Food Composition and Analysis*, 139 (2025), 107129 <https://doi.org/10.1016/j.jfca.2024.107129>
- Zakiyya Haruna, 'An Examination of the Best Practices on the Independence of the Anti-Corruption Agencies in Hong Kong and Singapore: Lessons for Nigeria', *The International Journal of Humanities & Social Studies*, 2024
<https://doi.org/10.24940/theijhss/2024/v12/i1/HS2401-012>