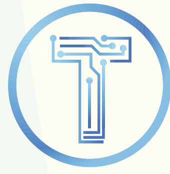

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Asset recovery policy strategy of corruption proceeds placed abroad within the perspective of the state as a victim

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Abstract. This study aims to examine the policy for the recovery of assets resulting from corruption placed abroad with a descriptive-qualitative approach and using a methods case study. Based on the identification and interpretation of data with a policy framework criminal Hoefnagels (1969) and William N. Dunn's (2003) forecasting policy analysis. It was found that Indonesia needed to strengthen cooperation in the form of mutual legal assistance (MLA) and information on financial transactions with the country for which the assets were embezzled track, seize and freeze the assets of corruptors. The government needs a framework for new law in the form of an asset confiscation law that is supported by the availability of resources adequate human resources (HR) of law enforcers to facilitate the recovery process assets resulting from corruption abroad. The government also needs to reform the face of the bureaucracy and transparent, humanist, professional, and responsive to national law enforcement issues corruption. Indonesian political will to reciprocally provide assistance to other countries in the asset recovery process is highly recommended. The government also needs to reform the Asset Recovery Center (PPA) as an independent institution while strengthening the human resource capacity of the members.

Keywords. Corruption; Corruption Assets; Asset recovery; The state as a victim

1. Introduction

The Indonesian government still finds obstacles in recovering assets proceeds from Corruption taken or placed abroad. The complexity of the crimes that become the common enemy of the citizens of this world is getting higher. Besides actors are increasingly skilled at operating, for example through money laundering mechanisms. This crime, which has become a global issue, is suspected of having a connection with a criminal network abroad, and is supported by advances in information technology that make it easier and easier accelerate the movement of money across jurisdictional boundaries. This crime circle shows that globalization has influenced the patterns and types of transnational crime (Zaidan, 2016), fostering criminal groups (Marmo & Chazal, 2016), and increasing the threat of transnational crime at the state level (Emmers, 2005).

Indonesia has collaborated with many countries in the world. However, in its implementation, there are substantial problems, such as differences in the legal system, banking system, and financial system of the country where the assets are placed. Not to mention the resistance of the parties to which the government wanted to take their assets (Utama, 2008). The most complicated problem is when it comes to state sovereignty in relations between

countries in various court practices abroad, namely the right to sovereign before a foreign court forum (Bhakti, et al, 1995: 3).

In the Preamble to the UN Convention on Anti-Corruption in 2003, it was stated that *"corruption is no longer a local problem, but a transnational phenomenon that affects all societies and economies, so it is important to establish international cooperation to prevent and control it"*. Corruption is often classified as a transnational-organized crime because it has an impact on violating the laws of various countries (Massari, 2001). This crime weakens social control, the state, and international institutions so that what we are now experiencing is an institutional crisis (Cockayne, 2007).

Stolen Asset Recovery Initiative (StAR) data shows that the top countries that are most “safe” to hide proceeds of crime are the United States, Switzerland, United Kingdom, France, Germany, as well as Singapore and Switzerland. In these countries, financial transactions are carried out in secret and companies can keep the name of the owner, the amount of income, and so on. The StAR report also shows that countries from outside the Organization for Economic Co-operation and Development (OECD) - an international organization with 30 countries that accept the principles of representative democracy and a free-market economy - are the countries most often victims of large-scale corruption, leads to the case of asset recovery. According to this data, Indonesia is in 13th place as a location for corrupt practices and 60th as a country where assets resulting from corruption are stored (Lohaus, 2018).

In the midst of the complexity of efforts to recover assets, Indonesia arguably has an interest in returning corruption funds from abroad. However, there are still many assets resulting from the corruption that are difficult to return. According to data collected by researchers, the total assets placed abroad reached more than Rp. 29 trillion by 2019. Meanwhile, those that were returned were still less than Rp1 trillion (Medcom.id, 2/4/2019).

To combat this financial crime, Indonesia has ratified UNCAC, one of which is through Law Number 7 of 2006 (Nurdjana, 2010: 440), including previously forming the Corruption Eradication Commission (KPK) through Law no. 30 in the year 2002. Apart from UNCAC, Indonesia also commits to the world's main economic forum (G20) which promotes dialogue to build the political commitment of economic leaders in solving various challenges in global economic growth, including the issue of anti-corruption through the Anti-Corruption Working Group (KPK, 2019). This includes establishing cooperation in the form of MLA (mutual legal assistance) with several countries, such as Singapore, Australia, China, and Switzerland, to search for evidence of assets resulting from the Corruption that were taken abroad (Soesatyo, 2020).

According to Bromley (1989), all of these commitments constitute stages of policy formulation. At the operational level, which is the stage of policy implementation that leads to patterns of interaction, Indonesia still needs strengthening in the form of more effective criminal policies. In the internal realm, it turns out that Indonesia does not yet have an institution that specifically manages and returns the assets resulting from Corruption. Institutions such as the police, the prosecutor's office, and the KPK do not automatically have the authority to recover assets from corruption abroad (Ginting, 2010).

Another obstacle relates to a lack of transparency (Djemame et. Al., 2013; Kim and Sharman, 2014; Morgan, 2014; Bell and Parchomovsky, 2016), a situation which Enweremadu (2013: 51-70) describes as inadequate legal skills and accounting. This problem becomes more acute when law enforcement officials are hesitant to determine the priority scale between convicting corruptors or recovering corrupted assets. On the other hand, Law Enforcer's understanding and awareness of the importance of recovering assets from corruption are inadequate. More than that, even though there have been domestic decisions that have

permanent legal force (inkracht van gewijsde), Law Enforcer has failed to break through cross-border barriers due to differences in the legal and banking systems in which assets are placed.

The act of embezzling money through money laundering is often perfected by accountants, lawyers, and bankers hired by corruptors, making it more difficult to trace. They are gatekeepers, a term that appeared at the G-8 Finance Ministers' meeting in Moscow in October 1999. This designation refers to professionals in finance and law with special expertise, knowledge, and access to the global financial system to conceal the proceeds of crime (Medcom. id, 2/4/2019).

In general, assets that are taken abroad by corruptors are assets on a large scale and involve the bureaucracy in the government. This is what is called kleptocracy, a condition when the state apparatus benefits through corruption. According to Mustofa (2010: vii), kleptocracy has become a feature of corruption in Indonesia. In the country model kleptocracy, there is a conspiracy between the authorities and businessmen in acts of corruption to gain profit by relying on state funding whose orientation is to prosper bureaucrats and corporate partners. The Transparency International report (2004) puts Indonesia in first place out of many countries categorized as a kleptocracy country (Lohaus, 2018).

Kleptocrats use many methods to hide their illegal activity. One of them is using legal ownership which is commonly called a corporate vehicle (Willebois, et al., 2011). This term mainly refers to companies, corporations, foundations and trusts, and other variations of the union. One of the companies used to conceal illegal transfers of funds is a shell company. The use of this method often obscures Law Enforcer tracking.

This kleptocratic behavior has caused the state to be unable to provide welfare for its people, even causing social dangers. In the study of social hazards or what is called zemiology, a variant of critical criminology (Hopkins-Burke, 2005), the state can be seen as a victim of corrupt practices because it suffers losses, not as individuals, but as an institution or organization. Mustofa's study (2010) shows that the number of countries becoming victims (46.94%) is compared to individual victim groups in the community (39.46%), the environment (7.48%), and corporations (6.12%) as a result of corrupt practices. . The state does not suffer physical losses but the state can suffer ecological damage. Through customs breaches, social security fraud, and forms of tax evasion, countries may become victims of crime. A macro-comparative study of corruption shows that kleptocracy remains the main mode of governance in several countries (McMann, et al, 2016; Lohaus, 2018).

Referring to the concept of the state as a victim in a criminological perspective and the inability of the state to recover corruption assets abroad, there is one main problem discussed in this study, namely the government's criminal policy strategy to carry out asset recovery for Corruption. This research is aimed at finding an effective approach in asset recovery policies that have been taken by criminals abroad. The research results are expected to contribute to the policy of handling the recovery of assets resulting from crimes that have been taken abroad and to expand victimology studies in criminology in the context of countries becoming victims of Corruption.

2. Theoretical background

Criminal Policy Analysis

This study focuses on the analysis of criminal policies in dealing with the problem of recovering assets from the corruption that are placed abroad. Hoefnagels (1969) clearly defines criminal policy as a social reaction to crime in the form of the establishment of an institution. In his criminal policy analysis, Hoefnagels includes a) application of criminal law means; b) prevention without conviction; and c) attempt to influence people's views on crime. Hoefnegel

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establishes four dimensions of criminal policy. First, *criminal policy is the science of responses*, namely criminal policy as part of science related to reactions to crime. Second, *criminal policy is the science of crime prevention*, meaning that criminal policy is the complexity of science related to crime prevention. Third, *criminal policy is a policy of designing human behavior as crime*, in which crime is a political step in determining a human act that will be determined as a crime. Finally, *criminal policy is a rational total of responses to crime*, criminal policy is seen as a comprehensive rational response to the phenomenon of crime.

Hermawan (2006) emphasizes that there are three core components in policy, where the positions are equally important. The first component is the policy itself. According to Hermawan, the content of a policy is certainly a response to a problem. The second component is the stakeholders in the policy or stakeholders. There are two groups of stakeholders, namely: 1) policymakers and implementers; 2) policy target groups. In terms of criminal policy-making, three main parties can act as policymakers, namely the legislative body, law enforcement agents including the judiciary, and regulatory agents (Gilsinan, 1990). The third component of the policy is the policy environment, which can include the level of security, the level of public welfare, the level of unemployment, the level of democracy, globalization, and so on.

In criminal policy-making, Gilsinan (1990) recommends that it be carried out in three stages. First, the legislative body determines what behavior will be regulated in the criminal law. This determination is based on field findings including crime statistics. Second, apart from formulating problems through criminal data from the government and law enforcement agencies, the legislative body also makes policies based on the existing budget. This budget becomes important concerning the calculation of effectiveness and the pros and cons of implementing the policy. In essence, policies cannot be made if they absorb too many costs and are not commensurate with the losses incurred by regulated crimes. Finally, the legislature will involve various parties involved in the world of crime, especially law enforcement agents (Stewart, 2000).

Bromley (1989: 245) further emphasizes the hierarchy in the stages of criminal policymaking. There are stages of the agenda, formulation, implementation, and evaluation. At the formulation stage, there is *a hierarchy of policy level and organizational level*. The hierarchical process of a policy theoretically provides an overview of the ultimate goal of making a policy, namely in the form of *output* (short-term results) and *outcomes* (long-term results). At the *policy level* towards the organizational level, it will produce a process called *institutional arrangement,* in the form of statutory regulations. Furthermore, from the organization level process to the operational level, it also produces *institutional arrangements* in the form of institutional products at the executive level.

In the effort to tackle crimes against the state, it takes the policy of a legislative body to formulate the elements of a criminal act and the types of sanctions that are threatened carefully and thoroughly. Criminal sanctions should be provided with an alternative threat of imprisonment and supervision. Also, law enforcement efforts against transnational crimes such as corruption must still consider the harmony between penal and non-penal aspects (Mirzana, 2012).

Globalization and Transnational-Organized Crime

The term transnational crime refers to the complexity of problems that exist in organized crime, which is a serious problem in business activities. It is called a transnational crime because this criminal activity crosses national borders and has an impact on violating the laws of various countries (Massari, 2001). The term "transnational" is used by UNCA Transnational Organized Crime as reflected in Article 3 by referring to several basic concepts:

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1) committed in more than one country; 2) is carried out in one country but a significant part of the preparation, planning, directing or control activities occurs in another country; 3) committed in one country but involving an organized criminal group in more than one country; and 4) taking place in one country but having major consequences in another.

According to Massari (2001), the organized crime itself is any crime committed by someone who occupies, in an established work division, a position designed to commit crimes provided that the division of labor also includes at least one position for criminals and one position for law enforcement.

Cockayne (2007) describes the definition of the concept of *organized crime* concerning the development of *transnational-organized crime* which is based on three main concepts. First, one conception characterizes *organized crime* as a series of activities that can be carried out by any actor or entity, be it economic or political, private or public. These activities ultimately produce a shadow socioeconomic system, which supplies illicit goods and services to meet latent demand. In this conception, *a transnational organized crime* includes a series of prohibited transnational transactions that are broad but specific, regardless of the actor who committed it.

The second conception relates to the mafia, in which organized crime is understood as a group of entities organized hierarchically, carrying out various commercial activities united by the underlying business. This approach focuses on specific membership-based business groups that can be characterized as prohibited “companies”, are conceptually different from government and politics, and are fundamentally concerned with the conduct of the criminal activity. In this conception, transnational organized crime is simply an entity that is involved in this transnational organized crime.

The third conception is agnostic, namely whether organized crime is properly understood as an activity or entity, or vice versa, international attention with an organized crime must be triggered whenever an organized crime has a transnational effect. The term transnational organized crime by Wang and Wang (2020) is defined as "an act of a group involving two or more countries which is a criminal act, at least according to one country." Albanese (2010) has included most of the important characteristics of transnational organized crime, namely that a criminal company is sustainable, and works rationally to benefit from illegal activities based on the use of power, threats, monopoly control, and/or corruption of public officials.

In operations, transnational organized crime uses the sovereign-free shadow areas of the international system, where state control is weak or ineffective such as war zones, cyberspace, and private bank accounts. Operating in such a zone makes this crime slowly undermine the state, social and global government system (Cockayne, 2007). Franca van der Laan (2017) in his study describes various things in the field of transnational organized crime affecting state security. One of them is the act of laundering money obtained through criminal activities.

The leap of transnational crime is the biological child of globalization which causes boundaries between countries to blur and the mobilization of people from one country to another is getting higher. The use of communication and transportation technology encourages the acceleration of change in the social order (Zaidan, 2016).

In the legal system, globalization brings about changes, including the ratification of various international conventions that are part of the national legal system in addition to various national legal regulations that are aligned with the needs of the global community. The mixing of legal systems occurs through the penetration of one legal system into another (Zaidan, 2016). This encourages major criminal cases that cross national borders such as corporate crime, terrorism, and money laundering forcing each country to synchronize its national legal system.

The existence of a very fast economic transformation led to the emergence of a new world politics. The state is no longer a closed unit and can no longer control its economy. This indicates that the world economy is increasingly interdependent, with trade and finance expanding (Fitriyanti, 2014). Although globalization creates a new context, on the other hand, globalization has increasingly benefited criminals. The blurring of time and space boundaries makes it easy for transnational crimes to occur (Pudjiastuti, 2014). Many reports of transnational crime are attributed to criminal groups with advancing globalization (Marmo & Chazal, 2016). This relationship is marked by the increasing threat of transnational crime that threatens not only at the state level but also at the level of individual security (Emmers, 2005).

Victimology and the Concept of the State as a Victim

The theoretical assumption of this research is the perspective that the state is a victim of transnational corruption. Although the losses are not physical, economic, and political, the state is harmed by corrupt behavior. The field of study to see the victim's perspective is discussed by victimology, a sub-discipline of criminology. Victimology is more complicated because its study is closely related to the various practices adopted by activists to fight for what causes victims (Fattah, 1989).

The UN Declaration on Fundamental Principles of Justice for Victims of Crime and Abuse of Power defines the definition of a crime victim as a *person, regardless of whether the perpetrator of the violation can be suspected, arrested, punished or imprisoned, regardless of the familial relationship between the perpetrator and the victim. The meaning of victim if possible also includes immediate family or immediate family of dependents of victims who have suffered losses, who are involved in helping victims of stressed crimes to prevent victimization"*. In the victimization, it should not only be aimed at the victim, because other parties involved in the existence of victimization can also become victims (Gosita, 1993).

In principle, the victim is the party who is disadvantaged by the crime. That party became a victim because another party had committed a crime. Concerning this research, the researcher poses a problem regarding the position of the state as a victim of asset flight abroad. This victim's perspective refers to several opinions. Robert Peacock (2011) cites Nils Christie's explanation, saying that victims generally have the following characteristics: 1) the victim is in a weak position compared to the perpetrator; 2) the victim is a person who has not done anything illegal and has carried out daily activities in his business legally; 3) not guilty of what happened; 4) the victim is not related and does not know the 'foreigner' who has committed the violation; 5) the perpetrator is clearly seen as a big and evil person; and 6) the victim has the right combination of power, influences people to sympathize and manages to gain victim status without anyone feeling threatened.

According to Law Number 13 of 2006 concerning Protection of Witnesses and Victims, a victim is *"someone who has suffered physical, mental and/or economic loss as a result of a criminal act"*. A victim is defined as someone who has suffered a loss as a result of a criminal act and his sense of justice is directly impaired as a result of his experience as a target or target of a criminal act. Abdussalam (2010) further saw that victims could involve individuals, institutions, the environment, society, the nation, and the state. In this context, the state and society are disadvantaged, for example by the crime of smuggling, customs clearance, taxation, money laundering, and other economic crimes. Losses can have negative impacts in the fields of politics, economy, social, culture, law, low morality, and losses in other fields.

However, Freiberg's (1998) study found that in the context of “the state as a victim”, there is almost no victimogenic factor because it has to rely on comparative data over time. In addition, the psychological relationship between the perpetrator and the victim in this crime is

not strong. Economic crimes against the bureaucracy have low visibility, thus there has been a public failure in stigmatizing the perpetrators of these crimes. Because the country is large, impersonal, and anonymous, characteristics shared by representatives of other large organizations such as corporations, criminals, or corruptors may feel justified in taking their assets abroad.

Asset Recovery

Asset recovery is the core of the issues examined in this study. UNCAC does not explain the definition of return on assets. Likewise, the international community has no mutually agreed definition of return on assets. Fleming (2005) looks at asset returns from several perspectives. First, return of assets is a process of deprivation, expropriation, removal. Second, what is revoked, confiscated, or disappeared is the result or gain of a criminal act. Third, one of the objectives of revocation, seizure, or disappearance is so that the perpetrator does not use the proceeds and benefits of the criminal act as a tool or means of committing other criminal acts.

In essence, the return of assets is a law enforcement system carried out by the victim state of corruption to revoke, seize, and remove the rights to assets resulting from Corruption from the perpetrators of corruption through a series of processes and mechanisms. Both criminal and civil, assets that are inside or stored abroad, which are tracked, frozen, confiscated, and returned to the country that has been the result of a criminal act of corruption, to recover financial losses due to criminal acts of corruption. This also includes providing a deterrent effect on perpetrators and/or potential perpetrators of corruption.

By regulating the provisions regarding mutual legal assistance in UNCAC, efforts to recover assets can be maximally carried out. The easiest way to process the return of assets that are outside the jurisdiction of the victim state is through mutual legal assistance. When assets resulting from criminal acts of corruption are placed abroad, the victim country can ask for cooperation with the recipient country to carry out the process of returning the assets. This is following what is stipulated in Article 46 of UNCAC, in which countries receiving assets must assist victim countries in the process of returning assets.

The philosophy of expropriation of assets must be based on the premise that no person has the slightest right to assets resulting from a crime. Based on this premise, the authority for expropriation of assets remains attached if the ownership of the asset is a criminal offense, or the ownership of the asset is related to a criminal act while the assets are not related to crimes, separate arrangements with civil instruments are needed. This means that the confiscation of assets originating from a criminal act through civil channels does not necessarily violate the presumption of innocence, although it does not need to be proven guilty by the suspect. Meanwhile, confiscation of assets of a criminal act through criminal channels must first be proven guilty of the person controlling the assets until a verdict is legally enforceable.

Simser's study (2010) found that efforts to confiscate assets are not only carried out through criminal or civil action but also by financial transparency policies and acts as prevention. This is done by following the flow of finances and assets of corruptors in other countries. The government, therefore, needs to carry out reciprocal cooperation with other countries in terms of formal information exchange to create cooperation between countries (Bacarese, 2009). Leasure (2016) emphasized that the synchronization of the prevailing legal system between countries must be carried out so that efforts to recover assets run optimally.

In Indonesia, the Suud study (2020) suggests that the Asset Recovery Center (PPA) as an asset recovery work unit handled by the Prosecutor's Office, not only works within the scope of the Prosecutor's Office but can receive and carry out asset recovery from other ministries or agencies. Suud found that the existence of the PPA overlapped with the KP and Rupbasan

Laboratories at the Ministry of Law and Human Rights so that there was a tug of war between law enforcement units.

Lukito (2020) in his study also suggested that in efforts to recover assets that need to be developed is the company's business ethics. In many cases, companies are used as a place to hide wealth. This method is widely used by perpetrators, due to the weak legal framework for handling and filing claims against companies. In Law no. 20 of 2001 and Law no. 8 of 2010, the government implicitly regulates the possibility of expropriation of assets based on non-beliefs. However, the government needs to establish an asset confiscation law as an umbrella for the confiscation of assets, both individuals and legal entities. With this provision, law enforcement does not focus only on pursuing perpetrators, but also on pursuing illegal funds owned by companies. As in Rwanda, confiscation of assets refers to confiscation of property by a competent court decision, by transferring ownership of assets to the state (Dusabe, 2018).

3. Methodology

This study uses a postmodern paradigm because in criminological analysis there is a tendency to use various paradigms in an integrated manner. This paradigm is relevant to the context of this research which sees crime as a result of reciprocal relationships and mutual influence between perpetrators and victims which are *constitutive interrelation* (Mustofa, 2013). This type of research is descriptive-qualitative. Descriptive research is made to collect information about the status of an existing symptom, namely the real conditions at the time the research is carried out to make a systematic, factual, and accurate explanation of the facts (Arikunto, 2002). Researchers use a qualitative approach to understand the problems behind the problem of asset recovery policies that are often constrained.

In this study, researchers used the case study method (Rahardjo, 2017). A case study is a series of studies conducted intensively, in detail, and in-depth about a program, event, and activity to obtain in-depth knowledge of the event. Usually, the selected events which are hereinafter referred to as cases are real-life events, which are taking place, not something that has passed. The case is intended as a system that does not stand alone. Other parts work for the system in an integrative and patterned way.

Researchers collected data using interviews and documentation from various kinds of literature to produce observable descriptive data (Bogdan, 2004). In this study, the researcher himself is a key instrument, so that he can measure the accuracy and adequacy of the data and determine the right informant to be interviewed.

The data collected were analyzed using inductive analysis techniques. Existing data are identified, polarized and interpreted using a series of theoretical concepts that are relevant and adapted to the existing context. In essence, data analysis is made to interpret the data in order to obtain findings on the problem formulation (Rahardjo, 2017).

Furthermore, the researchers interpreted the data to create a conceptual framework for criminal policies in an effort to overcome the problem of assets resulting from Corruption that were located abroad. In this stage, the researcher uses Hoefnagels' (1969) criminal policy analysis to identify new problems that require government action in the form of relevant and optimal policies, including evaluating the performance of existing policies. Meanwhile, for future asset recovery policies, the researcher uses William N. Dunn's (2003) forecasting policy analysis framework.

4. RESEARCH RESULTS AND DISCUSSION

The culmination point of Indonesia's biggest corruption occurred in 1998 when Indonesia experienced an extraordinary monetary crisis that made it difficult to restore

economic conditions (Achmad, 2011: 599). The government was forced to disburse around Rp. 22.74 trillion in funds to large banks which could possibly be saved through the Bank Indonesia Liquidity Assistance scheme. However, BLBI funds were misused for the benefit of a handful of people by being placed abroad by bankers. Apart from the BLBI, researchers have collected many cases of embezzlement of assets abroad by Indonesian corruptors from the 1970s to the present. These corruption cases are the focus of research studies. The details are described in the following tabs:

Table 1 Corruption Proceeds in the form of Assets Placed Abroad

No	Asset Owner	BLBI Corruption	Total Asset	Asset Location
1	Syamsul Nursalim	BDNI Bank	Rp6,9 trillion dan US$ 96,7 million	-
2	Bambang Sutrisno	Surya Bank	Rp1,5 trillion	Singapore and Hongkong
3	Andrian Kiki Ariawan	Surya Bank	Rp1,5 trillion	Singapore and Australia
4	Eko Adi Putranto	BHS Bank	Rp2,659 trillion	Singapore and Australia
5	Sherny Konjonglang	BHS Bank	Rp2,659 trillion	Singapore and AS
6	Hendra Rahardja	BHS Bank	Rp2,659 trillion	Australia (passed away)
7	David Nusa Wijaya	Servita Bank	Rp1,29 trillion	Singapore and AS
8	Samadikun Hartono	Modern Bank	Rp169 billion	Singapore
9	Agus Anwar	Pelita Bank	Rp1,9 trillion	Singapore
10	Atang Latief	Indonesia Raya Bank	Rp155 billion	Singapore
11	Lidya Muchtar	Tamara Bank	Suspected legal status	China or Singapore
12	Hartawan Aluwi	Century Bank scandal	State losses Rp 3.11 trillion	Singapore

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13	Hendro Wiyanto	Century Bank scandal	State losses Rp 3.11 trillion	Singapore
14	Dewi Tantular	Century Bank scandal	State losses Rp 3.11 trillion	Singapore
15	Anton Tantular	Century Bank scandal	State losses Rp 3.11 trillion	Singapore
16	Rasat Ali Rizfi	Century Bank scandal	State losses Rp 3.11 trillion	Singapore and England
17	Hendra Lim	Global Bank Case	State losses US$500 housand	China
18	Hendra Lee	Global Bank Case	State losses US$500 thousand	China
19	Budianto	Global Bank Case	State losses US$500 thousand	China
20	Amri Irawan	Global Bank Case	State losses US$500 thousand	China
21	Rico Santoso	Global Bank Case	State losses US$500 thousand	United Stated of America
22	Irawan Salim	Global Bank Case	State losses US$500 thousand	United Stated of America
23	Lisa Evijayanti	Global Bank Case	State losses US$500 thousand	China
24	Djoko S Tjandra	Cessie Bank Bali	Rp 546 billion	Singapore

25	Marimutu Sinivasan	Muamalat Bank	Rp 20 billion	India
26	Nader Thaher	Bank Mandiri Credit	Rp 35 billion	Singapore
27	Lesmana Basuki	Sejahtera Bank Umum	Rp 209 billion and US$ 105 million	Singapore
28	Tony Suherman	Sejahtera Bank Umum	Rp 209 billion and US$ 105 million	Singapore
29	Achmad Thahir	PT Pertamina	US$ 81.75 million	Singapore
30	Adrian Waworuntu and Maria Pauline Lumowa	BNI Bank	Rp 1.7 trillion	USA, Netherlands, Singapore
31	Rudi Rubiandiniu	SKK Migas	US$ 900 thousand and US$200 thousand	Singapore
32	Benny Tjokrosaputro cs	PT Jiwasraya	Rp 18.4 trillion	Singapore and 10 European countries
33	Benny Tjokrosaputro cs	Asabri	Rp 23.7 trillion	still under investigation

Source: Processed by researchers from Medcom.id, April 2, 2019; Medcom.id, 2020; Merdeka.com, 2016; Kompas.com, 2014; Kompas.com, 2020; Kompas.com, 2021; Amirullah (2020).

Based on the data above, it can be concluded that there are 8 destination countries for embezzlement of Indonesian corruptors' assets abroad with total assets reaching IDR 74.77 trillion (exchange rate IDR 14,000). According to the data tabulation, a total of 12 corruption cases were successfully uncovered whose assets were taken abroad, involving more than 33 perpetrators. Most perpetrators of corruption occurred in the BLBI scandal with 11 people. Meanwhile, the destination country most interested by corruptors to embezzle assets is Singapore (22 people), followed by China (6 people), the United States (5 people), and Australia (3 people). For Hong Kong, England, India, and the Netherlands, each is one actor.

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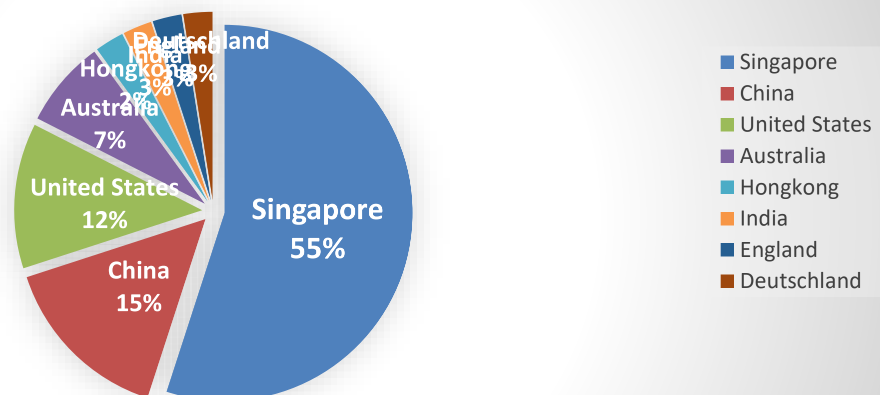
The biggest case of embezzlement of assets to Singaporean banks was the asset of PT Asuransi Jiwasraya, which was taken away by Benny Tjokosaputro cs amounting to Rp. 18.4 trillion. Another major corruption case that brought in the same perpetrator was the corruption of Asabri funds, which emerged right after the Jiwasraya case. From this case, the provisional total state losses reached IDR 23.7 trillion. In addition to assets placed in the country, the government is still investigating the alleged embezzlement of assets abroad from 9 suspects (Merdeka.com, 2021). The composition of countries for which corruptors are to embezzle assets can be described as follows (the order of countries from largest to smallest percentage):

Graph 1 Countries for embezzlement of assets



Source: Processed by researchers (2021)

Until now, Singapore is still one of the closest countries to which Indonesian corruptors invest their wealth from corruption in Indonesia (Rani and Sanur, 2014: 2). In fact, many Indonesian citizens set up a business entity in Singapore with the application of a corporate income tax (PPh) rate in Singapore of 16% compared to 25% in Indonesia. In terms of capital, borrowing money in Singapore is also much easier than in Indonesia. With this convenience, Indonesian citizens can easily buy assets such as property for investment (Detik.com, 19/9/2016).

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According to research informants, the reason for corruptors to place assets resulting from corruption abroad, such as Singapore, is because of the assumption that the country where the assets resulting from corruption are placed does not have a problem with the origins of the corruptors' assets. Because the destination country also needs investment, it is often used by corruptors to carry out money laundering. Money laundering is carried out in several ways, for example, it is converted into business capital abroad, which then returns the proceeds to Indonesia for the corruptors to enjoy.

It was also found that countries such as Singapore and Switzerland are most attractive to corruptors because they can accommodate the confidentiality of assets owned by corruptors. After all, there are strict banking policies against their customers, thus complicating the law enforcement process. Strict regulations on developed countries, such as Singapore, Switzerland, or Hong Kong, because these countries have an income orientation through foreign investment. In Singapore, there are regulations regarding the ownership of movable assets of foreigners who can enter its jurisdiction. The existence of gaps in the limitations of law enforcement for *asset recovery* efforts abroad is an opportunity for corruptors to save the proceeds of their crimes abroad.

Based on the analysis of the identification of factors of failure and success in recovering assets of Corruption, the researcher found that many things need to be improved in the future. Therefore, the researcher first evaluates the Indonesian government's policy towards *asset recovery* from corruption.

Asset Recovery Policy Evaluation

In a policy analysis study, Dunn (2003) emphasizes the importance of evaluating policy performance. According to Dunn, evaluation specifically refers to an assessment of the value or benefits of policy results. Thus, the evaluation must generate new demands. To state that a particular policy or program has achieved the highest or lowest performance, evidence is needed that the actual policy results are a consequence of actions taken to solve certain problems. What is most important about evaluations is that they provide valid and reliable information about policy performance. The evaluation also provides clarification and criticism of the values that underlie the selection of public policy goals and targets.

Based on the criminal policy analysis instrument (Hoefnagels, 1969), the researcher found that the three evaluative policies were first carried out by the Indonesian government. First, strengthening the legal framework and human resources of law enforcers. A common obstacle in criminal policy is the absence or absence of binding legal regulations such as laws and, if any, these regulations do not help facilitate the recovery process for assets resulting from corruption abroad. Since ratifying it through Law no. 7 of 2006 concerning the Ratification of UNCAC to date, the government has not yet established an implementing regulation for the enactment of UNCAC.

Law enforcers, on the other hand, should have special understanding and skills to enforce the rule of law firmly and precisely. One of them is that law enforcers need to have a good understanding of the mechanisms and technical implementations that apply in general to the international scope regarding asset recovery. This is because there are still many Law Enforcers who lack understanding of the MLA implementation mechanism. Apart from the readiness of human resources, economic resources in the form of a budget must be prioritized so that the case resolution process can run optimally and thoroughly. The minimal budget is sometimes not sufficient to carry out tracking activities abroad until it is completed. Indonesia often imposes a budget on the country where the assets are placed.

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Returning assets hidden by corruptors abroad must also become a collective imagination in the government structure because corruption have made the state a victim of crime. Coordination or cooperation between institutions is often ineffective, thus extending the bureaucratic process in managing MLA applications. The data collected by the government or the private sector is not well integrated, which causes Law Enforcer to be unable to access reliable data related to the classification of assets owned by corruptors and the mapping of potential assets owned by the proceeds of Corruption.

Second, Indonesia must have dignity and diplomacy in the eyes of the international community which enables Indonesia to bargain as a country requesting assistance as well as a country requested for assistance in recovering assets. One of the things that need to be done as revealed in this research is to strengthen cooperation between countries and *asset recovery* diplomacy. The history of good cooperation between the two countries is an initial factor in whether or not asset recovery activities can be carried out. The reason is, among several countries that apply laws that are not rigid and can be invited to work together, there is a provision on the existence of an MLA agreement related to asset recovery for corruption in other countries.

In this context, sometimes differences in the legal and banking systems between countries hinder efforts to recover assets. Some countries make asset recovery a civil law problem, not a criminal law. Countries that are requested for assistance often have their own policies regarding the assets requested so that the assets cannot be withdrawn. Not to mention, there is a conflict of interest from the country that will be asked for assistance so that the assets resulting from corruption will benefit the country. In ASEAN, there are still several countries that do not have a joint commitment to eradicating corruption and *asset recovery*.

Freezing assets is also difficult because of different perspectives regarding asset recovery in countries that adhere to Anglo Saxon (common law) and Continental Europe. Then, there are different terminologies such as restrain, seizure, forfeiture, and confiscation. Thus, confiscation of assets is constrained because several countries have implemented different asset recovery systems, such as NCB, civil, and purely criminal.

What is important in this effort is Indonesia's political will to reciprocally assist other countries in the process of asset recovery abroad. This is because, according to research informants, recovery of assets abroad is not very easy. The government needs to carry out optimal profiling when data on asset ownership cannot be found or assets have changed hands. In other cases, these assets have become a supporting factor for the economy in the country where assistance is requested, for example in the form of foreign investment. Or, assets are still in the status of legal handling or are still awaiting court proceedings and are still in the dispute or owned by other parties outside the litigant party. Tracing needs to be more careful and in-depth over a long period.

Forecasting Asset Recovery Policy

Government policies related to asset recovery are very important in the future. Referring to the Hoefnagels (1969) criminal policy cycle, which consists of agenda-setting, formulation, adoption, implementation, evaluation, and support/maintenance, the researcher places the problem of asset recovery as the subject of future government policy analysis through William N. Dunn's policy analysis. (2003).

In solid terms, Dunn's study of policy analysis has provided a comprehensive basis for the study and implementation of public policies in the realms of government, politics, law, and economy, and management. According to Dunn (2003), policy analysis is always problem-oriented and action-oriented. In the policy analysis stage, one important phase is forecasting, in

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addition to the problem formulation, recommendation, monitoring, and evaluation phases. Forecasting is a procedure for making factual information about future social situations based on existing information about policy issues. Forecasts have three main forms, namely projection, prediction, and forecast.

A projection is a forecast based on extrapolation of past and present trends into the future. The projection makes a firm statement based on the arguments obtained from the particular method and the parallel case, in which the assumptions concerning the validity of certain methods (for example, intertemporal analysis) or similarity of cases (for example, past and future policies) used to reinforce a statement. Projections can be reinforced by arguments from authority (expert opinion) and casual logic (for example, economic or political theory).

Predictions are based on firm theoretical assumptions. These assumptions can take the form of theoretical laws, theoretical propositions, or analogies. The most important feature of prediction is that it specifies the generative (cause) and consequence (effect) forces, or the parallel processes or relationships that are believed to underlie a relationship. Predictions can be supplemented by arguments from those who are authorized and certain methods.

An assumption is a forecast based on informative judgments or expert judgment about the future situation of society. This assessment can take the form of an intuitive assessment, in which it is assumed that there are inner and creative strengths of intellectuals or hidden knowledge of policy actors. Judgments can also be expressed in the form of motivational arguments in which future goals, values , or wills are used to determine various possible statements.

Asset Recovery Policy Projection

Research findings indicate that cooperation in the form of MoU with other countries or institutions is still a determining factor in the success of the asset recovery process in the future. This success was also driven by good communication relations between the two institutions or countries and the absence of a conflict of interest between the two parties. And the most important thing is that the existence of an MLA with the party or country requested for assistance will greatly simplify and accelerate the process of asset recovery.

In this case, MLA is needed to gather evidence, implement a provisional strategy, and ultimately seize corrupt assets and process their return. With the international community, cooperation in investigations, production of evidence, temporary action, confiscation of assets, and return of assets resulting from corruption can be done easily (Brun, et al., 2011: 6). In other words, the process of asset recovery for Corruption is only possible with close and sustainable international cooperation, both bilaterally and multilaterally (National BPH, 2016: 112). For this reason, the government needs to strengthen and reinforce the implementation of MLA in the realm of prosecution and punishment of corruption actors whose assets have been taken abroad.

MLA itself is a model of cooperation or reciprocal agreement related to criminal matters, which is formed because it is motivated by the factual conditions of the indolence of the investigation process of a crime due to differences in the applicable legal system (Arifin (2016: 48). O'Brien (2009) emphasized that in In international law, an agreement has several functions which in certain national laws can be different, for example as a national regulation, contract agreement, or an agreement to form an institution (Arifin, 2016: 40). By UNODC, MLA is described as a process of international cooperation in which countries- The state requests and assists in collecting evidence used in investigations and trials of criminal cases as well as in tracking, freezing, and confiscating assets from criminal acts (Syahmin et al., 2013: 59).

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The performance of prosecution and punishment through the MLA scheme in efforts to recover assets has been running optimally so far. With Singapore, for example, the Indonesian government has succeeded in bringing back state assets that were taken to the country in the BLBI case (ICW, 2003; Rani and Sanur, 2014). With Australia, the MLA agreement was drawn up on 27 October 1995 and ratified by Law No.1 of 1999 concerning the Ratification of the Agreement between Indonesia and Australia regarding Mutual Assistance in Criminal Matters. One of the scopes of the agreement is assistance to find, detain, and confiscate the proceeds of Corruption (Syahmin, et al, 2013: 67). In 2019, the KPK collaborated with the Australian Department of Home Affairs to support asset recovery due to money laundering crimes or TPPU. One of the cases that were successfully uncovered was the assets of corruption convicts Adrian Kiki Ariawan and Hendra Rahardja (Arifin, et al, 2016).

Most recently, the House of Legislatives (DPR) ratified the MLA agreement between Indonesia and Switzerland on July 14, 2020, in the form of Law No.5 of 2020 concerning the Ratification of the Agreement on Mutual Legal Assistance in Criminal Matters between Indonesia and Switzerland. The existence of the Indonesia-Swiss MLA assists the government in carrying out tracing, freezing, and confiscation of illegal financial assets that have been transferred to partner countries. This includes seeking assistance in identifying and searching for people suspected of committing crimes. The most important thing is that this mechanism can be used without waiting for a court ruling that finds someone guilty (Sihaloho, 2019).

MLA is a bridge for strategic partnerships between developed and developing countries. As developing countries need to improve governance and accountability to combat corruption, developed countries need to stop providing safe havens for the loot. The MLA will give the government the authority to pursue illicit money obtained primarily through corruption, money laundering, tax evasion, and other financial crimes. However, with several considerations, such as the principle of reciprocity, proportionality, and double criminality (Septiari, 2020).

Future asset recovery does not rely solely on the MLA scheme in the event of a conflict with the legal system where the asset is placed. Indonesia may need technical assistance from Stolen Asset Recovery (StAR) to build the institutional capacity of its legal institutions. StAR is a program launched by the World Bank and the United Nations Office in 2007 to help developing countries recover assets stolen by corrupt leaders and officials. The basic idea of StAR is to help developing countries return stolen assets from criminal acts (Syahmin et al, 2013: 80). StAR is considered to have occupied an important position in eradicating Corruption because corruption is a crime against the state which is very much needed to reconstruct and rehabilitate society through sustainable development (Candra and Arfin, 2018: 29).

Indonesia also needs to expand the framework of cooperation with many countries that tend to become corruptors escaping to hide assets abroad. One of them is by holding a bilateral agreement on the exchange of financial information between countries or Automatic Exchange of Information (AEoI). AEoI is an automatic information exchange system facility to identify and monitor potential taxes and is used to detect funds belonging to individuals or legal entities that are stored in other countries. With Singapore, Indonesia has signed the AEoI agreement. The financial authorities of each country exchange financial account information automatically following the *common reporting standard (CRS).*

Strengthening Law Enforcer's skills in understanding international law related to asset recovery needs to be improved because sometimes Law Enforcer does not have more experience in resolving criminal acts of corruption abroad. If possible, the government needs to work with independent institutions to help law enforcement work. Equally important in this effort is the international language skills of Law Enforcers so that they can more accurately and quickly understand the language code of each country. The government on the other hand also

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needs to allocate a larger budget, by setting aside the domestic asset recovery work model, for Law Enforcer and partners working abroad.

Asset Recovery Center (PPA) set up by the Attorney General's Office have limited human resource capacity and officials often lack the relevant knowledge to effectively gather intelligence, analyze data, track assets, conduct financial investigations, and cooperate on an international level. The government needs to work closely with the International Development Law Organization (IDLO) to assist PPA and other agencies in improving cross-border asset recovery. In the future, PPA needs to be equipped with adequate knowledge about the structure of digital financial transactions such as bitcoin and others. If possible, PPA should stand autonomously as an independent institution outside the AGO, such as the PPATK.

Prediction of Asset Recovery Policy

Asset recovery requires strong and borderless international cooperation. This is driven by the fact that many corrupted state assets have been taken away or stored abroad, while the perpetrators of corruption enjoy unlimited wealth resulting from corruption, even to the point of being passed on to their families and children and grandchildren. The international cooperation scheme was created on an ongoing basis to as much as possible suppress the potential for embezzlement of money while strengthening the national law enforcement system that is transparent, professional, and responsive to the issue of losses to the country's economy.

Bacarese (2009) in his study found that global financial crimes are still happening, where people move illegal money through the banking system easily and obtain legal assets in the European Union and around the world. He emphasized that close international cooperation at the formal and informal levels is the key and must be developed in prosecuting Corruption. By referring to three relevant international legal instruments, namely UNTOC, UNCAC, and the Council of Europe Convention on Money Laundering and Foreclosure, Bacarese recommends several important policies in efforts to recover assets resulting from corruption.

First, the formation of experts who are adequately resourced and trained in asset recovery. Second, better coordination in the flow of financial intelligence, as long as the model is being advocated by the Egmont FATF Working Group. Third, a shared database facilitates the flow of money. Fourth, better monitoring of existing demands. Fifth, a mechanism that allows the acceleration of urgent requests through the center of the national authority that handles MLA. Finally, increased use of international mechanisms (which may help accelerate demand as discussed in the previous point), enhanced training and joint training in the area of asset recovery, and best drafting and dissemination by the European Union.

Equally important in the policy strategy for tackling corruption is reform of the justice system, especially the Attorney General's Office and the Court (Waal, 2016). The community has been through a long process and needs to instill faith in the rule of law. One of the things done in this reform is changing the face of law enforcers who are fond of accepting bribes or gratuities. National Police Chief Listyo Sigit Prabowo has set a key program during his tenure called PRESISI (professionalism, transparency, and responsibility). This framework becomes the foundation for reforming the face of law enforcers so that they are more humane and professional in serving the public or carrying out law enforcement tasks.

According to Waal (2016), reforms in government enterprises such as BUMN by cutting off the performance of corrupt parties to the implementation of privatization of state companies are policy strategies that the government also needs to take in the future. Also, the government needs to form a series of anti-corruption institutions as joint partners in the task of recovering assets abroad. Another key point that Waal emphasized was reforming the parliament into a

transparent and trustworthy institution. The decline in the level of public trust in the parliament has hampered efforts to prevent corruption.

In this case, the government needs to intensively encourage the culture of anti-corruption behavior in public and community institutions. As happened in the Republic of Tatarstan, there are efforts to increase the level of anti-corruption training and anti-corruption behavior for the community. As a result, there is a positive change in people's behavior in viewing corruption (Frolova, et al, 2019). In this cultural context, there are several recommendations to improve anti-corruption behavior in society.

First, develop a mechanism that provides an opportunity to report facts on criminal acts of corruption without fear and protection for those who provide such information. Second, holding work in the media to form a positive image of law enforcement officials in eradicating corruption on a regular basis. Third, ensure transparency of reporting on corruption eradication in law enforcement agencies and the actions taken to place information in the public domain. Fourth, develop and implement mechanisms for the use of various public control tools based on continuous analysis of anti-corruption indicators. Fifth, developing indicators monitoring to assess the effectiveness of sustainable regional development. Finally, expand the integrated research further with economists to identify correlations of levels of corruption with economic indicators.

As in China, the government also needs to be more aggressive and proactive in pursuing corrupt fugitives abroad and recovering assets through top-level designs (Yan'an & Guolin, 2018). President Xi Jinping, for example, has assigned several long-term tasks to recover assets. First, strengthen party discipline and oblige the party to take zero tolerance for corrupt members. Second, the application of the domestic legal framework and international cooperation. Third, the Chinese government established a new institution to pursue fugitives and recover assets. Lastly, the Chinese government has special measures for the phenomenon of corruption under the direction of the Central Commission for Disciplinary Examination. The police are responsible for private sector anti-corruption, and prosecutors have the authority to investigate corruption cases by public and state officials. In essence, eradicating corrupt behavior among public and private officials will greatly assist in optimizing efforts to restore corrupted state assets.

Asset Recovery Policy Estimates

Indonesia remains the main focus in eradicating criminal acts of corruption because only a country has full sovereignty (state sovereignty) and has power over matters that occur over it. The dedication and political will of the Indonesian government are the carriages that open and mobilize all formal and non-formal legal frameworks and instruments in the effort to recover state assets stored abroad.

Minister of Law and Human Rights Yasonna Laoly said at the Seventh Session of the Conference of State Parties to the UNCAC that *"differences in the justice system should not hinder the effectiveness and success of cooperation in restoring international assets, the most important thing is political will"* (UNODC, 2017). This means that as long as the Indonesian government does not have a good intention to make legal products as an implementation of ratification of international conventions or other binding legal products, efforts to eradicate corruption and recover corrupted assets cannot run optimally. The government's good intentions are the foundation that drives all components of the law to jointly fight corruption.

One of the legal policies that the Indonesian government might soon make is regarding asset confiscation. As recommended by the FATF, the importance of seizing assets in efforts to prevent and eradicate the crime of money laundering. Under these provisions, the state may

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consider adopting measures that allow assets or proceeds of crime to be confiscated without the need for criminal penalties or that require the perpetrator to demonstrate the legal origin of the alleged assets, to the extent that these requirements conform to the principles of domestic law (BPH Nasional, 2012: 14).

The government through the PPATK has proposed a Criminal Asset Confiscation Bill (PATP) in 2008. This bill was discussed between ministries and experts in November 2010. Furthermore, the PATP Bill was submitted to President Susilo Bambang Yudhoyono through a letter from the Minister of Law and Human Rights Number M.HH.PP .02.03-46 dated 12 December 2011 (Kompas.com, 2021). However, at present, this bill is still untouched neatly. The government seems to have ignored the draft bill.

KPK Supervisory Board member Syamsuddin Haris said that the ratification of the PATP Bill required the political will of the government and the DPR. This is because the eradication of corruption is not only a matter of how many corruptors are jailed. The most important thing is how to recover corrupted state assets. Syamsuddin urged the PATP Bill to be immediately discussed in the 2021 National Legislation Program. Anti-corruption activists are optimistic that the ratification of this bill can have a positive effect on efforts to recover state losses from the proceeds of corruption and TPPU (Kompas.com, 2021).

The PATP Bill itself was formulated by adopting the provisions in UNCAC and the concept of Non-Conviction Based Asset Forfeiture. In UNCAC, which Indonesia has ratified, there are three attempts to recover foreign assets. First, prosecute corruptors through civil law. This is intended to freeze state-owned assets so that they can be frozen in the local state of the assets held. To prevent these assets from escaping, the government has conducted full disclosure so that they are not touched by corruptors. Second, the government through UNCAC can forcibly confiscate the physical assets of corruptors. Finally, the government can use the power of UNCAC to recover assets in countries where the corruptors' money is hiding (Ginting, 2011).

Through the PATP Bill, the Indonesian government regulates the asset seizure mechanism in three main concepts. First, unexplained wealth. These are assets that are not balanced with income or sources of additional wealth that cannot be legally proven and are suspected of being related to a criminal act. In France, this concept is included in the "criminal lifestyle". Second, the procedural law for confiscation of assets in the PATP Bill emphasizes the concept of the state versus assets (*in rem*). This concept regulates the protection of third parties in good faith. Finally, regarding asset management, the PATP Bill states there are nine types of asset management activities, including storage, security, maintenance, appraisal, transfer, use, utilization, supervision, and return (Kompas.com, 2021).

The PATP Bill urges it to be passed because in the current legal system the additional compensation for criminal acts is too small so that it is not balanced with the losses suffered by the state. ICW researcher Kurnia Ramadhana said that the stagnation of the drafting process for the PATP Bill proved the unclear political intentions of the government and the DPR towards eradicating corruption. Ironically, the government has revised the KPK Law. For this reason, the law on confiscation of assets must be the government's minimum platform for recovering state assets that were corrupted and then placed abroad (Kompas.com, 2021).

5. Conclusion

Based on the results of research and discussion, several important conclusions can be drawn about future criminal policies. *First*, Indonesia needs to strengthen cooperation in the form of MLA and financial transaction information with Singapore to track, seize and freeze the assets of corruptors. This is because Singapore is the destination country that is most attractive to Indonesian corruptors to place money from corruption. *Second*, a new legal

framework is needed in the form of an asset confiscation law supported by the availability of law enforcement human resources to facilitate the recovery process for assets resulting from corruption abroad.

Third, it is necessary to increase international cooperation and open asset recovery diplomacy with all countries. The international cooperation scheme is carried out on an ongoing basis to as much as possible suppress the potential for embezzlement of money while reforming national law enforcement that is transparent, humanist, professional, and responsive to the issue of losses to the country's economy. In this context, Indonesia may need StAR technical assistance to build the institutional capacity of its legal institutions.

Fourth, Indonesia's political will to reciprocally assist other countries in the process of asset recovery abroad is urgently needed. As in China, the government needs to be more aggressive and proactive in pursuing corrupt fugitives abroad and recovering assets through top-level designs.

Finally, the government needs to reform PPA as an independent institution while strengthening the human resource capacity of its members. PPA members will be experts who are adequately resourced and trained in asset recovery, especially in intelligence, data analysis, asset tracking, financial investigations, and cooperation at the international level.

This research has focused on discussing the direction of criminal policies related to the issue of asset recovery in the future. What needs to be examined in the future is how to build the concept of state sovereignty in the current era of globalization. There is a globalist frame of mind that the financial crimes committed do not touch the state so that the crime can be justified.

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