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Questioning the Practice of State Capture Corruption in the Revision of the 2020 Mining Law

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ABSTRACT

This article examines the topic of state capture corruption and how Indonesia's Corruption Law treats the practice. This article also intends to look into the practice of state capture corruption in the Mineral and Coal Mining Law revision. This study was created using normative legal research methods from a statutory and conceptual standpoint. This will be followed by descriptive and qualitative analysis. The findings of this study lead to the conclusion that state capture corruption is a type of compromise between people in positions of power and employers to produce legislation that serves their commercial interests. Due to the limited definition of corruption, the Corruption Law struggles to address this issue. Also, the 2020 Mineral and Coal Mining Law revision exposed some measures that were made specially to advance the financial interests of entrepreneurs while simultaneously deleting provisions that provided such actors control.

ABSTRAK

Artikel ini bertujuan untuk mendudukan persoalan state capture corruption dan menganalisis bagaimana hukum pidana korupsi Indonesia dalam memandang praktik state capture corruption tersebut. Disamping itu, tujuan selanjutnya dari artikel ini adalah untuk menganalisis ada tidaknya praktik state capture corruption dalam revisi UU Minerba. Penelitian ini disusun menggunakan metode penelitian hukum normatif dengan pendekatan perundang-undangan dan konseptual. Selanjutnya akan dianalisis secara deskriptif kualitatif. Adapun hasil dari kajian ini dapat disimpulkan bahwa state capture corruption merupakan suatu bentuk kompromi antara pengusaha dan pemegang kekuasaan pembentukan UU untuk melahirkan suatu produk hukum yang mengakomodir kepentingan bisnisnya. UU Tipikor mengalami kegagapan dalam menjawab persoalan ini dikarenakan pendefinisian korupsi yang masih sempit. Selanjutnya, dalam revisi UU Minerba pada tahun 2020 telah memperlihatkan beberapa pasal yang sengaja ditujukan hanya sekedar untuk mengakomodir kepentingan ekonomi para pebisnis dan pada saat yang sama menghapus pasal yang memberikan kontrol yang ketat bagi pelaku usaha dalam menjalankan bisnisnya.

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I. INTRODUCTION

Today, almost all aspects of human life have been regulated by the name of law. In the Indonesian context, the power to form laws is held by the House of Representatives (DPR) as stated in Article

20 paragraph (1) of the Constitution with the involvement of the President. Lawmakers are expected to be able to present a solution to overcome existing problems in order to create order in society (Kholifah, 2022). But in reality, these expectations are not as beautiful as we imagine. The legal products presented actually become a source of conflict of state stability. A series of laws passed during President Jokowi's administration received massive rejection from civil society, students and academics. Until finally it had to lead to judicial review in the Constitutional Court.

Some of these laws include amendments to Law Number 3 of 2020 concerning Mineral and Coal Mining (Mineral and Coal Law). In terms of process, the formation of the Law a quo is carried out in a closed and hasty manner without regard to the principle of openness as mandated by Article 5 letter g of Law Number 15 of 2019 concerning the Establishment of Laws and Regulations. (Juaningsih, 2020). Meanwhile, in terms of material content, the articles of change in the Law a quo are considered as entrustments of mining oligarchs to perpetuate their interests in extracting coal and at the same time exploiting the environment, threatening the health of citizens, and social conflicts (Walhi, 2021).

The allegation that the Mining Law is full of elite interests is not without reason. This is reinforced by data released by Indonesia Corruption Watch (ICW) on May 12, 2020 that there are 7 large companies whose Coal Mining Work Agreement (PKP2B) licenses will expire. ICW also revealed that these companies are owned by individuals who are the richest people in Indonesia and affiliated with public officials who have influence in the process of forming laws ICW, 2020).

Therefore, for the sake of the sustainability of these corporate interests, the Mining Law must be revised immediately. This reality is inseparable from the motive of corporate crime itself, which is willing to commit covert crimes such as corruption by damaging the mentality of policy makers in order to obtain economic benefits (Setiyono, 2002).

The results of the study by the Corruption Eradication Commission (KPK) also revealed that the point of corruption vulnerability in the DPR is not only related to the budgeting function, but also related to the legislative function. In this case, corrupt practices can occur in all stages, starting from the preparation of national legislation programs, proposing laws, discussion stages, and approval stages (Compass, 2013).

This was later confirmed through the trend of corruption crimes that occurred in Indonesia increasing from year to year. Data from *Transparency International* states that in 2022, Indonesia's corruption perception index is ranked 101 out of 180 countries with a score of 34. This score is down 4 points from 2021, the most drastic drop since 1995 (Indonesia, 2023). The consequences of this corruption not only result in losses to state finances but also target aspects of people's lives systematically (Firmansyah et al., 2020).

Departing from this phenomenon, the process of forming the Mining Law raises a fundamental question regarding the presence or absence of corrupt practices in the form of *state capture corruption* in the revision of the Mineral and Coal Law. *State capture corruption* is simply defined by Herry Priyono, which is where businessmen bribe state officials and legislators to compromise official regulations or laws for the benefit of the businessman (Priyono, 2018).

Legal products that are formed only to legitimize corporate interests certainly cannot be justified. As Jean Rousseau pointed out, lawmakers should not make decisions that only refer to certain people or parties, but must be public and have no connection to certain events (Vlies, 2005).

In response to the phenomenon of buying and selling articles between legislators and business people *(state capture corruption),* the criminal law of corruption in Indonesia seems to have stuttered in overcoming it. This is because the understanding and concept of corruption in the criminal law of corruption in Indonesia is still biased. This then leaves the problem of reaching corrupt practices

as a whole. Meanwhile, according to Barda Nawawi Arief, in the context of criminal law policy, the target of criminal law is not only the evil deeds of the community but also the deeds (in the sense of authority / power) of the ruler / law enforcement officials (Arief, 2005). (Arief, 2005)

On the other hand, political power obtained by corruptive means will only result in an illegitimate government in the eyes of the public and at the same time will lead to the destruction of democracy which leads to the dishonorable fall of government power (Setiadi, 2018).

Against the description above, this study aims to examine the extent to which the criminal law of corruption in Indonesia accommodates the practice of *state capture* corruption in order to prevent and overcome legislative corruption. In addition, the author will analyze the presence or absence of *state capture corruption* practices in the Mining Law which was just promulgated in 2020 as a reference in formulating future criminal law policies. Based on the background above, this paper will discuss 2 (two) main issues, namely how does the criminal law of corruption in Indonesia respond to state capture corruption? and Is there *state capture corruption* in the formation of the Mineral and Coal Law?

II. RESEARCH METHODS

The stages in this research process begin with determining research problems, data collection, data analysis, after the data is analyzed, conclusions are drawn regarding the corrupt practice of state appropriation in the revision of the Minerba Law 2020. This research was prepared using *normative legal research.* Normative research is legal research that focuses on the level of norms, rules, principles, theories, philosophies, and legal rules to find solutions or answers to a problem. The approach used is: First, the *statutory approach (statute approach).* This approach is used to review laws and regulations related to the Mining Law and corruption. Second, the conceptual approach. This approach is used to examine views and doctrines that develop in law and other sciences related to corruption and *state capture corruption.*

While the legal material in this study consists of: First, primary legal material, namely laws and regulations and judges' decisions. Second, secondary legal materials, namely books, journals and research results related to corruption and *state capture corruption.* Third, tertiary legal materials are legal dictionaries and large Indonesian dictionaries (KBBI).

Data collection techniques in this study are carried out by literature *study of* primary legal materials, secondary legal materials and tertiary legal materials which will later be analyzed in a qualitative descriptive manner, namely interpreting the legal materials obtained to describe a legal truth as it is. Thus, it is expected that from these legal materials researchers will get an explanation as well as answer problems regarding the concept and regulation of *state capture corruption* in Indonesia and its relation to the Mineral and Coal Law.

III. RESULTS AND DISCUSSION

1. Corruption Act and *State Capture Corruption*

In the context of Indonesia's positive law, the criminal act of corruption is regulated in Law No. 31 of 1999 enacted as a substitute for Law No. 1971. Law No. 31 of 1999 was later refined with the passing of Law No. 20 of 2001 to better show commitment to stop and eradicate corruption. According to Law No. 31/1999 juncto Law No. 20/2001 on Corruption Eradication (UU Tipikor), corruption can be categorized into 30 types which are classified into 7 categories: i) state financial losses; ii) bribery; iii) embezzlement; iv) extortion; v) fraud; vi) conflict of interest in a procurement; and vii) gratifikasi. Furthermore, the KPK divides corruption into 5 types: corruption based on institution, based on case type, based on profession/position, based on *inkracht* cases, and based on region. (Series, 2020)

In practice, Article 2 and Article 3 of the Corruption Law are favorite articles that are often used by law enforcement officials in trapping perpetrators of corruption crimes. The elements in article a *quo* are: "*unlawfully enriching* oneself or another person or a corporation that can harm state finances or the state economy" and / or *"with the aim of benefiting oneself or another person or a corporation, abusing the authority, opportunity or means available to him because of a position or position that can harm state or economic finances country".* Therefore, being a logical consequence, law enforcement officials must prove the elements contained in article a *quo*. When the element is not proven, the case will be decided freely by the Judge (Supriyanto et al., 2017)

The element of "state *financial losses or state economy"* is a vital element in determining the presence or absence of criminal acts of corruption. At the same time, the definition (restriction) of the criminal act of corruption, in turn, dwarfs the meaning and significance of corruption itself. Therefore, the Corruption Law often stutters in dealing with corrupt practices that do not involve financial gain, but are related to the pursuit of power for the sake of power itself. Herry Priyono, 2018) As for etymologically, corruption *(corruptio)* can be interpreted as destructive, decay, bribery, damage, rottenness, degeneration. (Prent, K. et al., 1969)

Meanwhile, Harry Campbell Black stated that corruption is an informal act committed by abusers of office or character contrary to the obligations and rights of others for personal gain. (Renggong, 2022) Similarly, Carl Friedrich said, that corruption can be said to occur when the holder of power who is obliged to certain things commits an act that privileges the party providing the reward and thereby causes damage to public life and the public interest. (Carl J. Friedrich, 2017) This conception shows that the scope of corruption is very broad. In this case, the Corruption Law fails to comprehensively accommodate the conception or type of type of corrupt behavior.

In practice in Indonesia, corrupt practices have penetrated into various sectors, not least in the legislative process. The KPK found that corrupt practices occurred since the formulation of policies, namely in the process of forming laws. In fact, a law that is born through a corrupt process will have a negative impact on the country's economy and people's rights. The DPR, which is tasked with carrying out the legislative function, in reality abuses power in the legislative process by corrupting legislation in the process of forming a law. (Firdaus, 2020)

The form of corruption in the process of forming a law by the DPR is called *state capture corruption.* The definition of *state capture corruption corruption* itself is an intervention carried out by individuals or groups in the process of forming a legal product in the public and private sectors for personal interests. (Mamokhere, 2020) In other literature, state *capture* corruption corruption is the attempt of corporations to give illicit profits to public officials to craft state laws, policies, and regulations to suit their interests. Another definition of *state capture corruption* is the purchase of decrees, laws, and policies made by companies through the handover of money to public officials. (Dassah, 2018)

In practice, there are two elements that play a role in *state capture corruption*, namely, interest groups and law framers. Interest groups are parties that influence the framers of laws so that laws and regulations are made in favor of monopolistic interests so that they can provide as much personal profit as possible (*supernormal profit)* and maintain market power.

While the framer of the law is a party who receives benefits in the form of money or profitable prospects as a form of recompense for services that have been done to interest groups. Therefore, the damaging effects caused by *state capture corruption* are far more dangerous because they cause much wider negative effects to society caused by injustices to legislation. (Purawan, 2014)

On the other hand, the practice of *state capture corruption* in the law-making process will only worsen the government's image in society. In fact, according to Satjipto Rahardjo, legislation or law-making is the first stage of the entire process of regulating society. Separating between das

Sollen and *das Sein* or separating between normative states and concrete events. T. Koopmas said, in the modern legal state (*verzorgingsstaat*) the function of legislation or formation is very necessary to not only codify the norms and values that already exist in society, but also to create changes in people's lives. In the administration of the state, legislation is an important element that determines whether or not a government is good. (Winata, 2020)

While *state capture* corruption corruption can be categorized as political corruption, where individuals or groups consciously override the public interest in favor of personal interests and party interests by violating the standards of rules that exist in political culture. Peter Larmour categorizes political corruption in three forms: first, public officials abuse authority for personal or party gain. Second, marginalization of people's voice in decision making. Third, there are business relationships between corporations and the state in shaping public policy. (Syarif &; Faisal, 2019)

Romli Atmasasmita explained about the relationship between corruption and power, where steps to eradicate corruption in the government have not met a bright spot since the 1980s. He explained that with the power possessed in the government, the authorities can abuse their power for personal interests and harm justice seekers. Corruption in this government is like a virus that has spread very widely in the executive, legislative, judicial and even the private sector. Furthermore, he said, corruption in political power will give birth to bad government and public figures in the eyes of the public. As a result, the government and leaders will lose the trust of the people, giving rise to conflicts that lead to socio-political instability and social integration between leaders and people. (Ambarwati, 2021)

This relationship between corruption and power can be seen from the political elite who carry out *state capture corruption* in the government. To benefit from national or transnational corporations, political elites are in charge and formulate policies or regulations in favor of their colleagues. *The World Bank* in its book "*Anti-Corruption in Transition 2"* explains the forms of *state capture corruption*, namely: (a) Influencing legislation by bribing legislators; (b) Influencing public policy through bribery to state officials; (c) Influencing judicial decisions by bribing judges on major cases; (d) Influencing *tight money policy* by giving bribes to banks; (d) Providing illegal funds for political party campaigns (Abdurrachman et al., 2020).

In Article 15 of the *United Nations Convention Against Corruption*, it has been regulated regarding *bribery of national public officials or bribery of national public* officials. The essence of such an act is a promise, offering or giving to a public official an advantage in order for that official to perform an act in the performance of his official duties (Hiariej, 2020).

The modus operandi in state *corruption* capture is first to identify strategic positions in public institutions, then replace competent professionals with weak officials, and can eventually reap the benefits of appointees abusing power to facilitate corrupt transactions between state and private business interests (Alence, 2019).

The narrow definition of corruption in Articles 2 and 3 of the Corruption Law is certainly a serious obstacle in eradicating the crime of *state capture corruption*. The paradigm that still relies on the approach of "*state financial losses or state economy"* should be revisited, because the criminal act of corruption is increasingly developing its definition. According to Z.K. He, corruption includes the perpetrator, the motivation of his actions, his modus operandi, and its negative effects. (He, 2003) .

Although the Corruption Law does not explicitly regulate *state capture corruption*, it has been accommodated in the development of several court decisions in Indonesia. On the other hand, *state capture* corruption is also included in corruption by entities or companies (*corporate)* with law drafters. In Article 20 paragraph 2 of the Law on Corruption there is the phrase "other relationship" which indicates the densest corruption relationship between companies and law framers in the government (Handayani, 2019).

Meanwhile, the mechanism for the formation of laws and regulations in Indonesia as safely regulated in Law Number 13 of 2022 concerning P3 (Law P3), has actually provided a rare prevention to prevent *state capture corruption.* (Purawan, 2014). This is because the framer of the law is required to involve public participation in the formation of a law.

It's just that this mechanism still has weaknesses in preventing *state capture corruption.* The regulated public participation provisions state, that public participation is a "right" not an "obligation" so, public involvement is only interpreted as something that only awaits the initiative of the community itself or the initiative of the DPR (Firdaus, 2020). therefore, violations of this provision do not have repressive consequences for the framers of the violating law.

Weak regulations in tackling *state capture corruption* crimes resulted in the birth of various laws that were littered by law framers and business actors. One of them is the revision of the 2020 Mining Law which has attracted controversy in the community. In the latest revision of the Mining Law, there are articles that are considered to reduce environmental and community rights. As a result, in September 2019, students staged a demonstration to reject the revision of the Mining Law because of its great potential for environmental and community welfare (Juaningsih, 2020).

2. *State capture corruption Corruption* in the Establishment of the Mining Law

The constitution as the highest law has mandated that every mining activity be used for the prosperity of the people as stated in articles 32, 33, and 34 of the 1945 Constitution (Pramita et al, 2021). However, in reality, the mandate of the constitution is sometimes betrayed by some people who thirst for power and injure the values of justice.

In early 2020, the Indonesian people were surprised by the ratification of the revision of the Mining Law Number 4 of 2009 to Law Number 3 of 2020. This endorsement presents a debate not only among investors or observers of coal and mineral mining but also among the public in general. How not, the revision of the Mining Law is considered unconstitutional because it will only make it easier for some individuals to exploit resources and provide prosperity to some parties. In this case, the government as a policy maker has failed to accommodate interests related to natural resources and the environment so that the policies presented only favor some groups (Amatullah et al, 2020).. (Amatullah et al, 2020)

The Indonesian Center for Environmental Law (ICEL) stated that the revision of the Mining Law will only weaken environmental protection from hulur to downstream by centralizing authority. This, of course, will only create supervision and law enforcement that is less than optimal. Then, the revision of the Mining Law has the potential to favor mining entrepreneurs, and ignore the interests of communities around the mine, as well as indigenous peoples (Maskun et al, 2020). In Antony's view, meeting the interests of society is a fundamental urgency in the mining industry. Contrary to Antonius' opinion, the revision of the Mining Law is considered to ignore the interests of the community and the sustainability of the environment in the mining area. The formulation process by the DPR that is not transparent certainly contradicts the principle of legislation in Article 96 of Law No. 12 of 2011 (Astomo, 2021).

On the other hand, problems in this aspect of the procedure give rise to substantive problems that are very problematic. Of the total 217 articles in the 2009 Mining Law, there have been 143 articles that have been massively changed. At least, there were 51 new articles, 83 articles changed, and 9 articles deleted. In general, the revision of the Mining Law contains quite massive changes, around 80 percent changes from the number of articles in Law No. 4 / 2009 (Burgundy et al, 2022) In this revision of the Mining Law, there are 5 things that are the subject matter, namely as follows:

a. Debureaucratization of licensing

The spirit of debureaucratization in the revision of the Mineral and Coal Law is contained in article 5 paragraph 3 which regulates the government's obligation to consult on production and export

control to the DPR. Not only that, in article 1 paragraphs 8 and 9 which regulate Mining Business Permits (IUP) where, mining entrepreneurs can take care of permits much easier. This is because, in the revision of the Mining Law, it only regulates one IUP and removes the IUP dualism system in the Exploration and Operation area. Of course, this will result in the proliferation of mining actors in the future.

b. Abolish local government authority

There are at least 19 articles in the revision of the Mining Law that remove the authority of local governments. This can be seen from a number of articles such as article 4 paragraph 2, in this case the authority of the mineral and coal industry is no longer held by the regional government, but transfers to the central government. The same thing is also found in the abolition of article 7 (provincial government authority), article 8 (district / city government authority), article 15 (delegation of central authority to regions related to the determination of Mining Business Areas), article 11 (local government authority related to mining investigation and research) further strengthened, that the revision of the Mining Law is an effort to privatize prospective mining areas. As a result, this kind of centralization system will facilitate the collusion practices played by mining business people with elements in the central government.

c. Give wide space to entrepreneurs

It is like a state rule that facilitates capitalist interests to exploit national mining wealth systematically and massively. This revision of the mineral and coal law provides a very wide space for entrepreneurs for the benefit of the company alone. For example, in the People's Mining Area (WPR), the depth limit of the main deposits of metal and coal was raised from 25 meters to 100 meters. Similarly, the maximum area of WPR was increased from 25 hectares to 100 hectares. The law before the revision of the Mining Law stipulated that a place must have been cultivated by the people for at least 15 years, amended to include the area to be cultivated. This situation will certainly be exploited by oligarchs to exploit natural wealth on behalf of local communities. Taking advantage of the flexibility of WPR status restrictions, the most likely mode of operation is to split the operations of a number of large mining companies into smaller-scale, but very large-number, exploration companies.

d. Downstream mining efforts

Article 103 of the revised Mining Law has regulated the increase in added value of mining. In article *a quo*, it is explained that mining commodities of excavated goods will be improved through 3 types, namely processing and refining metal mineral mining commodities; processing of nonmetallic minerals; and rock mine processing, all of which processing facilities must be carried out domestically. Chapter IVA of the revised Mining Law also regulates the Mineral and Coal Management Plan which encourages business actors to focus on downstream mining. A business license is valid for 20 years if the business actor only digs and mines. Furthermore, the company's operating zin can be extended for 10 years if it is cultivating or refining. If corporations can provide mineral and coal reserve resilience funds to support reclamation, post-mining activities, and discovery of new reserves, these incentives can be provided. The corporation faces a maximum penalty of Rp 100 billion and 5 years in prison for default. Although it seems more assertive, this commitment is often misused and its fulfillment is unclear. Often, corporations pay reclamation funds however, the results are not visible at all.

e. Opening doors to foreign companies

This law allows foreign capital companies (PMAs) to work on national mining businesses. Due to domestic technological limitations, this FDI is projected to boost downstream industries such as coal gasification. Therefore, a number of basic rules were developed regarding the business of a number of large international mining companies that have Special Mining Business Licenses (IUPK) and former holders of Contracts of Work (KK) or Coal Mining Concession Agreements (PKP2B). Article 35 paragraph 3 explains, compared to ordinary IUPK holders, some of these companies get

unique treatment. Then, article 27 paragraph 1 also eliminates the government's obligation to establish a State Reserve Area (WPN)—the basis of nature conservation policy—where holders of KK and PKP2B that have expired must return them to the state as WPN for the next auction by prioritizing SOEs and BUMDs. The mining concession area of this huge international mining company can be converted into a WUPK without having to return to the country as a WPN and auction it first. Furthermore, in article 31A paragraph 2, the Ministry of Energy and Mineral Resources no longer has to cooperate with local governments to calculate WIUPK, and local governments must ensure that the use of space and area does not change. Not only that, article 112 allows direct divestment of shares to be carried out gradually, without having to be done after 5 years of operation (Umam, 2021).

Furthermore, if we link the revision of the Mining Law with the existence of customary law communities, it will be seen that the state is not serious in protecting the rights of indigenous peoples. In general, mining activities often clash with the territory of indigenous peoples in the interior. However, the revision of the Mining Law does not contain specific provisions on the rights of indigenous peoples or specific matters that are closely related between investment actors and customary law communities. Furthermore, this revision of the Mining Law will only threaten the rights of indigenous peoples, including:

In Article 1 Paragraph 28a of the revised Mining Law states, "Mining Jurisdiction is the entire land space, sea space, including space in the earth as a unified territory, namely the Indonesian archipelago, land under water, and continental shelf". This article can threaten the living space of customary law communities because it opens up a wide space for mining activities to enter the living space of customary law communities.

The revision of the Mining Law will only protect perpetrators of mining crimes, as evidenced by the removal of criminal sanctions in the 2009 Mining Law for state officials who abuse their power in issuing mining permits.

The provisions in article 169A regarding the extension of the Contract of Work (CoW) and the Coal Mining Concession Agreement of Work (PKP2B) have the potential to harm indigenous peoples who are in conflict with mining concessions. This is because, the article guarantees two extensions within a maximum period of ten years without having to reduce the expansion of the territory twice automatically (Nadiyya, 2021).

The many substantive problems in the revision of the Mining Law indicate that this law is the result of the practice of *state capture corruption* between the framers of the law and the owners of mining companies. The allegation was strengthened by the abolition of article 165 which regulates criminal threats for officials who abuse power. In this case, it is precisely the community that "interferes" with the mining process is threatened with criminal penalties (Al Idrus, 2022).

It is clear how oligarchs can influence the framers of laws to smooth out all their personal interests. The Mining Law is a tangible form of the results of political-business interest negotiations between the ruling elite and mining industry corporations. Plus. The government is increasingly precipitating the prevention of corruption and vice versa reducing its postponement. This has been shown through the Revision of the KPK Law. As if for the sake of the business climate and investors, the policy of eradicating corruption can be set aside).

IV. CONCLUSION

State capture corruption is a form of corruption that involves collusion between businessmen and power holders in the formation of laws or policies that benefit their business interests. In the case of the revision of the Minerba Law 2020, there are indications of state capture corruption practices

carried out to obtain business profits by regulating the provisions in the law in accordance with their business interests.

One of the factors causing the success of corrupt practices of state grabbing is the narrow definition of corruption in the Anti-Corruption Law. This allows perpetrators of corruption to commit acts of corruption without being exposed to strict legal sanctions. In addition, the revision of the Minerba Law 2020 also shows weaknesses in the law-making process in Indonesia, where the process is still vulnerable to the intervention of certain groups' interests.

In the revision of the Minerba Law 2020, there are several articles that are deliberately regulated to accommodate the economic interests of business people, such as the elimination of the obligation to submit environmental feasibility study documents and the elimination of strict controls for business actors in running their businesses. This shows that there are efforts to influence interest groups in the formation of laws that can result in corruption of state appropriation.

Therefore, efforts are needed to prevent and address corruption of state appropriation in the formation of laws or policies in Indonesia. This can be done by increasing transparency in the law-making process, strengthening oversight mechanisms, and expanding the definition of corruption in the Anti-Corruption Law to include all forms of corrupt practices, including corruption of state appropriation.

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