



Barriers to Law Enforcement Against Corporate Crime in Indonesia: Institutional, Procedural, and Socio-Political Challenges

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Abstract

This paper examines the obstacles and difficulties in the law enforcement in corporate crime in Indonesia. It pays attention to the 2023 National Criminal Code (KUHP), according to which corporations are the subjects of the criminal behavior. The empirical juridical approach and the descriptive-analytical approach are used in the study. It relies on the interviews with the prosecutors, judges, and law enforcement institutions in Jakarta and West Nusa Tenggara. The results indicate that it is difficult to enforce anti-corporation laws. The main pitfalls are that it is becoming difficult to demonstrate corporate mens rea (criminal intent), to access internal corporate documents, and to reconcile the National Criminal Code with some sectoral laws. Enforcement is further complicated with the institutional problems that include the lack of qualified staff and the absence of detailed technical instructions. Moreover, socio-political aspects, in particular, the effect of corporate economic and political influence, tend to play a role in legal procedures. This research paper emphasizes the fact that a more appropriate alignment of regulations, enhanced capacity of law enforcement bodies and more stable evidence norms are needed to ensure that corporate crime enforcement is more effective in Indonesia. We hope the results might inform the criminal law policy and also make the debates on the reform of criminal law in the country more insightful.

Keywords: *Law Enforcement; Business Crime; National Criminal Code; Legal Politics; Institutional Barriers.*

Introduction

Corporations actively contribute to the development of the country economy, yet they might turn into a significant force of the breach of laws. Indonesian legal system is also reacting to economic changes experienced across the globe and increasing complexity of the business world by changing legal position of corporations, who are no longer merely the subjects of civil law, but are also the subjects of criminal law. Barda Nawawi Arief illustrates that criminal law encompasses three major aspects, namely punishable acts, criminal responsibility and penalties on offenders. These are the factors upon which one can comprehend the occurrence of criminal activities by corporate bodies. (Ratna Juita et al., 2024).

In the past, the Indonesian criminal law system was based on the classic doctrine of *societas delinquere non potest*, according to which only individuals can commit crimes. The *Wetboek van*

Strafrecht (WvS), the predecessor of the Indonesian Criminal Code, opened all criminal sections with the words: *barang siapa* (whoever), which meant that only individuals could be criminal subjects (Sudarto, 2020). Nonetheless, both corporations commit numerous crimes either through the heads or internal policies as society changes. Therefore, the criminal justice system has to cope with this socioeconomic fact (Muladi & Priyatno, 2015).

An important step in the revitalization of the Indonesian criminal law was the enactment of Law Number 1 of 2023 on the National Criminal Code. The articles 45 and 48 provide that corporations are criminally liable where the crime committed in its operation, illegal gains, or corporate policies. This recognition is also connected to the concept of vicarious liability and the corporate culture model that is apparent in some of the contemporary legal frameworks, where corporate malpractice is perceived as systemic failures, low-quality internal policies (Rodliyah et al., 2021).

However, these rules have not completely dealt with complexity of the real world practice. The interviews conducted at the High Prosecutor Office of West Nusa Tenggara and the District Court of Mataram showed that prosecutors and judges have difficulties in establishing corporate fault (*mens rea*) because it is abstract and non-physical in nature. A company lacks the intent that a human being does, therefore, criminal responsibility should be in the form of management choices or policies (Faturachman et al., 2024). Besides the problem of evidence, the research has found such institutional problems as the inability to coordinate the actions of law enforcement agencies, a lack of access to the internal corporate documents, and availed standards of presenting corporate crimes (Widjaja et al., 2024).

The results also outline that the social and political variables have a significant influence on corporate criminal law enforcement. In other instances, the influence of a corporation in the economy and politics will create a scenario commonly referred to as *too big to jail*. Consequently, law enforcement agencies are vulnerable to political influences, and economic interests (Sari, 2023). By showing this scenario, there is a gap between the politics of law and the principles of justice that the criminal law system ought to be founded on (Suartha & Ivory, 2024).

Besides institutional and political issues, there have been normative issues occasioned by discrepancies between the National Criminal Code and other sectoral legal acts such as the Environmental Law, the Anti-Corruption Law and the Anti-Money Laundering Law. The overlapping powers and confusion in the enforcement of corporate criminal liability have been caused by these inconsistencies. The disparity in the rules of culpability, punishment and evidence procedures have established a legal ambiguity that impedes corporate crime (Faradila & Kholim, 2024). The High Prosecutor of West Nusa Tenggara reports that as much as the new Criminal Code acknowledges corporations as legal entities in the country, there are numerous corporations that rely on the Supreme Court Regulation Number 13 of 2016 due to lack of a clear technical direction.

This paper will examine the issues of implementing the corporate crime law in Indonesia through empirical juridical approach. It gives attention to three key factor areas (1) institutional issues of resources, coordination and funding; (2) procedural issues of evidence and legal processes; and (3) socio-political issues of corporate economic and political power on legal processes.

Therefore, it is hoped that the study will be able to add to the academic mass of literature in corporate criminal law, as well as offer practical suggestions to the policy-makers and the law enforcement agencies in a bid to address the growing sophistication of corporate crime.

Methods

This paper has an empirical juridical approach. It does not see law as a fixed body of written rules, but as a social practice in society that is alive. This method seeks to know how corporate criminal liability has been enforced in Indonesia both by observation and interpretation of the law.

The study is descriptive and analytical. It seeks to demonstrate the nature of obstacles and hurdles in the implementation of the corporate crime law. The primary aim is to give the explicit description of the barriers in the enforcement of corporate criminal law and to read between the lines how these barriers are associated with legal, institutional, and socio-political factors.

Field research was done in Jakarta and West Nusa Tenggara (NTB) to gather primary and secondary data. These two areas imply both the central and the local contexts of law enforcement. The semi-structured interviews with judges and prosecutors were used as primary sources of data. The interviews based their discussions on the practicality of law enforcement based on the experiences that they had dealing with corporate cases, such as the issue of evidence and other nonlegal factors that affect the judicial procedures. The secondary data collection was based on literature review, which consisted of legal acts, including the National Criminal Code of 2023 and Supreme Court Regulation Number 13 of 2016, and recent scholarly articles about the application of the corporate criminal law. This information was utilized to promote and confirm the results of the field study.

The analysis of the data was based on the qualitative descriptive approach. This made it possible to interpret the findings of the field in-depth taking into consideration the applicable legal norms. The conclusions of the empirical findings were contrasted with the official rules that are established in the pertinent legislation. The discussion was based on the practical application of legal norms, which should address the gaps and formulate evidence-based policy interventions. The research conducts a deeper, practical insight into the efficacy of the Indonesian system of criminal law enforcement of the companies.

Results and Discussion

1. Institutional Factors: Small Capacity and Preparedness of Law Enforcement Agencies

The most noticeable aspect of the effectiveness of law enforcement concerning corporate crime in Indonesia is institutional barriers. These conclusions of this paper show that the majority of law enforcement professionals, such as prosecutors and investigators, have not yet mastered the working mechanisms of prosecution and corporate criminal liability as it is regulated by the 2023 National Criminal Code. Many officers continue to apply the Supreme Court Regulation Number 13 of 2016 in the application of the new provisions of the National Criminal Code because there is no clear-cut operation guidance (Widjaja et al., 2024).

As noted in interviews with a prosecutor in the High Prosecutor of West Nusa Tenggara, the central authority has not given any technical guidance on the manner in which to prove the corporate fault under the new Criminal Code and there is still no accurate law enforcement practice that is to be followed. This state of affairs indicates a discrepancy between the institutional preparedness on the level of operation and the normative change implemented on the national one. These institutional problems are also added by the lack of human resources, inadequate supporting facilities as well as budgetary allocations. Despite the importance of these factors in the evidentiary process, regional officers still have problems with access to financial documentation, involvement of forensic specialists, or audit of corporate operations. In other cases, the inquiry phase of the investigation had to be stopped because of the limitations of the working budget (Faturachman et al., 2024).

Article 56 of the National Criminal Code clearly outlines the stipulations on the corporate punishment, which involve aspects of loss, involvement of the administrators, frequency of the offences and the history of the company. Nevertheless, the provisions can hardly be effectively put in place without an adequate level of institutional capacity and a high degree of interagency coordination (M & Hardianto, 2024). This observation highlights the fact that instigating normative change should be supported by institutional readiness.

Institutionally, cooperation between the agencies, including the Prosecutor's Office, the National Police, and the National Legal Development Agency (BPHN), is one of the key factors in the success of law enforcement in Indonesia. The empirical data reveal that the coordination between agencies is not optimum, and certain structural and institutional problems of the legal system are present. The flaws in institutional structure have led to information bottlenecks, duplication of powers, and weak systems of formal coordination between law enforcement institutions. Weak coordination is not a phenomenon that is exclusive to corporate law enforcement because it also happens in other sectors. According to Sudarto, transformations in leadership and the inability to provide effective inter-agency collaboration have become key challenges in the reform of the maritime security governance (Sudarto, 2024). The research suggests that it should simplify institution structure and improve the cross-sectoral cooperation in order to improve operational efficiencies and interagency synergy. The results are also similar to other studies that have indicated that poor integration and poor institutional coordination has made law enforcement ineffective in most sectors, including the management of financial crimes (Puannandini et al., 2025).

Besides the law enforcement practices, there are also weaknesses in the area of coordination that can be found in supervision. Sarah notes that the absence of an integrated set of oversight mechanisms has denied the supervisory institutions the opportunity to effectively execute their roles (Sarah, 2021). Within the framework of law enforcement, Sianipar et al. note that the professionalism of the officers of the prosecutor and the police should be enhanced to ensure that both institutions play a more significant role in eliminating corruption (Sianipar et al., 2023). These results point to the fact that the ability and the knowledge of human resources towards interagency coordination mechanisms are not optimal and should be approached more systematically when it comes to the institutional management and coordination.

In addition to institutional issues, there are regulatory elements that are relevant to poor interagency coordination. This lack of clarity of the separation of power and duty among the institutions, as in the case of the police and the prosecutor office, has slowed down the quality of coordination (Sarah, 2021). This is also reflected in the example of corporate law enforcement, with the example of the Integrated Law Enforcement Center (Gakkumdu) set up by Election Supervisory Agency (Bawaslu) in cooperation with the National Police and the Prosecutor Office (also emphasizing the significance of formal interinstitutional cooperation) (Nasution et al., 2023). Yet, in order to see actual outcomes, a great political and institutional determination of creating communication infrastructures and long-term coordination machinery is necessary.

Within the framework of institutional management, it is important to make the institutions involved in law enforcement more aware of the necessity of collaboration and network building that can enhance the general performance of the process of legal enforcement. The lack of proper coordination when dealing with legal cases such as the ones involving human rights violations and corruption crimes can result in an enforcement failure and a loss of trust in the law enforcement institutions (Suprihanto et al., 2023). Hence, in order to make law enforcement responsibilities as effective as possible, all the institutions involved should enhance the collaboration and have a clear understanding of their associated roles and duties to avoid overlapping authority. On the whole, the enhancement of the coordination between institutions, namely, the Prosecutor Office, the National Police, and the National Legal Development Agency, will be a comprehensive task that cannot be completed in a short-term perspective. This strategy needs to be aimed at the consolidation of the human resources, sufficient budgetary backing,

and the changes in organizational structures and policies in order to create an effective and flexible institutional network.

The restricted institutional capacity has severe consequences in the wider policy of law enforcement and social justice such as the decline in the efficacy of jurisprudence and a small amount of cases of corporations that break the stage of court verdict. The inability of law enforcement institutions to operate best results in diminishing trust towards the legal system by the population, which further contributes to the legal uncertainty within the population (Taylor, 2021). With jurisprudence becoming ineffective, justice becomes less accessible and the authority of the courts is being threatened away in bits. Moreover, this is enhanced by the fact that organisations are not in a position to handle the complexity of corporate cases that require legal, economic, and administrative issues simultaneously. The fact that the corporate cases that do pass the trial stage are very few indicates the ineffectiveness of the law enforcement system, which in the long run leads to the formation of the impression of impunity among the culprits (Sulastri et al., 2023).

In the meantime, those institutions that have small organizational capacity tend not to establish fair and efficient legal procedures (Pertiwi, 2021). In many cases, corporations have vast resources that exceed the ones of individuals, and they can manipulate the situation during the legal process and increase the disparities in justice (Taylor, 2021). A number of researches reveal that the use of more powerful legal protection tools, including whistleblower protection and the right to legal assistance can strengthen the concepts of justice and accountability (Wang et al., 2023). The failure of institutions to implement policies that will ensure transparency and accountability underscores the ineffectiveness of institutional capacity despite the need to have them in place to ensure that power is not abused (Fukurai, 2020).

Within a sustainable corporate governance framework, the application of corporate social responsibility (CSR) principles is a significant part of advocating corporate ethical and responsible actions toward the society and environment (Wang et al., 2023). Nonetheless, it is challenging to attain the social and environmental goals of such policies unless a powerful legal institution can enforce CSR regulations, and this is likely to continue to undermine the adverse effects of corporate non-conformity. Moreover, to make sure that the cases that can be taken to trial could be processed according to the law and justice principles, there should be an effective law enforcement mechanism. Dedicated courts, including the environmental courts have been shown to respond faster to the violation of the environment (Tao et al., 2023). However, these initiatives are virtual unless they are reinforced by a robust and working judicial body. Consequently, institutional reform of the legal system is urgently needed to enhance the uniformity of the jurisprudence and be able to prosecute and resolve the corporate cases in a fair and open manner.

Besides institutional problems, the prosecution process of Indonesia is confronted by the normative challenges as there are no technical guidelines on how the sentencing principles are to be applied. The provisions of the sentencing principles are likely to help the judges and prosecutors to provide proportional and consistent penalties that are in line with justice and the objectives of punishment. Latifah and Hairi argue that despite the introduction of several key clauses in the new Criminal Code that are designed to guarantee a fair law enforcement cycle, the fact that it does not impose clear technical guidelines makes implementing it somewhat challenging and could encourage judges to make unequal rulings that are not necessarily upheld by the principle of social justice (Latifah & Hairi, 2025). In order to improve the level of prosecution and consistency in judgment, courts and prosecutors should be adequately trained and informed about such guidelines. The practical application of these principles will not be advanced without proper institutional capacity building and systematic dissemination.

Moreover, differences in the judiciary ruling on the same cases have brought about legal uncertainties and made prosecution difficult. Anjani and Setiadi also found discrepancies in sentences of

similar characteristics, and this implies the lack of proper sentencing criteria in the judicial system (Anjani & Setiadi, 2023). This situation is a result of the lack of solid principles that can be used by the judges to hand out criminal penalties. The inconsistency of decisions and the lack of confidence in jurisprudence are also strengthened by differences in the interpretation of the law, which is mostly based on the background and experience of judges (Permanasari, 2021). Moreover, the idea of restorative justice that was proposed in the National Criminal Code has yet to be comprehended and implemented by law enforcement officials (Aria & Zakaria, 2023). This can be aggravated when sentencing laws do not provide a clear guideline especially in cases that are complex or interpretive in nature and the judges and prosecutors are faced with such cases.

Institutional reform in Indonesia needs to be based on strengthening regulations, creating interagency coordination mechanisms, and creating ongoing cross-sectoral training as a strategic measure. One of the preconditions of creating the effective and fair legal system is a strong and responsive institutional framework that is corresponding to the needs of society. Inefficiency in interagency coordination is one of the critical issues being experienced by several institutions in Indonesia, which has decreased the speed at which legal institutions are being reformed. Hidayat et al. established that despite the diverse initiatives taken to increase institutional capacity, limitations on the executive powers, political opposition, and poor cooperation between institutions have been an important obstacle to legal reform in Indonesia (Hidayat et al., 2024). The findings align with the findings of Jawa et al., who noted that the barriers to anti-corruption measures are poor coordination and political interference in most instances, which are indicative of more systemic institutional problems in Indonesia legal system reform (Jawa et al., 2024).

The element of cross-institutional training, both legal technical as well as institutional management is a necessary factor in the enhancement of the performance and professionalism of the law enforcement personnel. According to Kennedy, the combination of information technology and lifelong education of the law enforcement officers is critical to the effective functioning of the policy and the possibility of consistency in applying the laws (Kennedy, 2025). Another issue that Sudarto brings up is the significance of coordination and cooperation between the government agencies in the maritime context (maritime security) (Sudarto, 2024), which also applies to the law enforcement system, especially when it comes to corporate cases. Likewise, Meutia et al. emphasize the need to enhance cross-sectoral collaboration and capacity building when managing disasters, which is also applicable to enhancing the organization of the criminal justice system (Meutia et al., 2025).

The institutional reform also demands a more focused and performance-driven manner to build up the coordination mechanisms that are quantifiable, easy to measure, and sustainable. According to Waroi, the collaboration between intelligence agencies is significant to the development of the institutional capacity and trust, which can be utilized as the benchmarks of the coordination in the law enforcement domain (Waroi, 2024). Besides this, Irnawati et al. also state that to have each part of the institutional system working to its full potential, it is necessary to make the functions of oversight better and keep the staff continuously trained (Irnawati et al., 2025). In general, an institutional reform must be comprehensive and aimed at the regulatory enhancement, the enhancement of the coordination systems, and the creation of the ongoing cross-agency training. These three dimensions are the key to the creation of the professional and flexible law enforcement system which will be able to cope with the difficulties of applying the National Criminal Code and implementing the laws regarding corporate crime.

2. Procedural Barriers: Legal Disharmony and Evidential Complicatedness

The second obstacle to corporate crime law enforcement in Indonesia is procedural. These procedural obstacles are mainly associated with the challenge of establishing corporate culpability and criminal procedural law to corporations (*mens rea*). In that regard, managerial decisions, internal policies, or corporate control systems are the only way to infer culpability as a corporation lacks will and intent as

an individual (Rodliyah et al., 2021). Practically, the lack of access to internal reports that may act as evidence poses big problems in establishing that there is existence of a corporate policy.

According to the interviews with a prosecutor in the West Nusa Tenggara in the High Prosecutor, in most cases the case files submitted by the investigators may only include a chronology of the events and may not indicate clearly the individuals held accountable within the company. This situation is a sign of poor communication and coordination between the corporate overseeing agencies and the law enforcers. On-site observations also reveal that there is often a breakdown in the process of connecting the corporate choices to the criminal accountability and as a result, the investigations and criminal prosecutions are frequently stopped at the initial level.

Another obstacle is the disconnect of the National Criminal Code (KUHP) and some of the sectoral statutes such as the Anti-Corruption Law, the Environmental Law, and the Anti-Money Law. Such disharmony makes it difficult to procedurally implement corporate criminal enforcement. The irregularities tend to bring ambiguity and difference in meaning at various levels of the investigation, prosecution and sentencing of corporations. The reasons of such a legal ambiguity lie in the difference in the principles underlying the National Criminal Code, where the emphasis is placed on the demonstration of the mens rea, and other sectoral laws that embrace the concept of strict liability (Faradila & Kholim, 2024). The practical result of these differences is that judges and law enforcement officials at the operational level are finding it hard to decide what legal basis to use and thus do not provide consistent ruling and their enforcement capability is compromised.

The area of corporate criminal liability was enforced in accordance with the Law Number 1 of 2023 that deals with the National Criminal Code and grants a more proper normative framework in connection with the imposition of the main and supplementary penalties, such as fines, business suspension, and license revocation. Nevertheless, even though the concept of corporate accountability has been extended by this legal reform, its application still encounters challenges, especially when it comes to harmonizing the overlapping laws (Indraswara et al., 2024). The lack of consistency between these legal sets can render the enforcement process ineffective. Because of the change in regulations and overlapping powers of the institutions, investigators and prosecutors often miss the most suitable legal provisions to prosecute, and this results in the differences in interpretation of the law.

Budiman and Pabassing claim that in companies, mistakes made at the pre-prosecution level may lead to procedural infractions and violation of the defendant rights according to the law (Budiman & Pabassing, 2023). The problem is caused by the ignorance of the law enforcement officials in terms of the alignment between the National Criminal Code and different sectoral laws. In order to avoid misunderstanding of legal issues that can hinder the judicial process, they stress the importance of holistic harmonisation of the applicable regulations. Nada et al. support this finding by demonstrating that, even though certain provisions of the Criminal Code are correlated with those of the Anti-Corruption Law, the amendments have not significantly strengthened the effectiveness of the anti-corruption enforcement (Nada et al., 2025). Thus, the legislation needs additional amendments to achieve consistency in the case of related legislation, reduce the uncertainty of the law, and enhance legal certainty.

Moreover, the unstable technical standards of law enforcement agencies are also indicative of inherent weakness in processes. So far, there is no standard Standard Operating Procedure (SOP) that is applicable to the entire source of law enforcement agencies like the Police, the Prosecutor, the Corruption Eradication Commission (KPK), the National Legal Development Agency (BPHN), and the Financial Services Authority (OJK). Without such a common standard, every institution has its understanding of its procedures and how to work with corporate cases, which harms their processes (Darmanto et al., 2023). Since every agency has its own way of doing things, coordination becomes a challenge and the outcome of cases in most case does not tend to be consistent. Regarding corporate criminal law enforcement,

Suryani et al. discovered that the lack of explicit SOPs can result in power overlaps and delays in the process (Suryani et al., 2023).

Additionally, the discrepancy of SOPs among institutions has a direct impact on the quality of supervision and corporate case handling efficiency. The lack of institutional coordination also contributes to this situation by the lack of interagency cooperation and communication, despite its being one of the key components of a modern and integrated corporate law enforcement system. Altogether, the efficiency of the law enforcement is predetermined by the possibility of the institutions to find a common procedural ground and to adjust to the changes of the policies in the dynamical way.

In addition to institutional and procedural problems, there exist more formidable problems during the evidentiary phase especially in proving the element of corporate fault (*mens rea*). Proving the presence of the *mens rea* or criminal intent, which can be revealed with the help of managerial decisions, is one of the most challenging things to demonstrate the corporate liability. In many cases, this aspect is group based and not individual and as such, it needs to be examined in the realms of decision-making and governance systems in the company. It has been argued by a number of studies that the managerial decisions which show both legal and social responsibility have a close relationship with the quality of corporate governance (Dragomir & Dumitru, 2023). This is why, in this respect, the analysis of the relationship between the board of directors and senior management is a primary measure in determining the collective corporate responsibility in relation to particular decisions or policies (Pernelet & Brennan, 2022).

Moreover, when corporate corruption occurs, corporate criminal liability subjects a company to sanctions in instances where the act is perpetrated by top executives or top managers. According to Saragih et al., to establish the corporate criminal liability, special attention should be paid to decision-making patterns, which should indicate the overall knowledge of the corporation of the possible legal infractions (Saragih et al., 2025). As an example, a decision making in the case of collusion or financial manipulation may imply the existence of *mens rea* that is inherent in the corporate organization and form a foundation of the criminal responsibility.

There is yet another level of difficulty in enforcing corporate criminal responsibility by proving the authenticity and integrity of corporate disclosure policies. Ramadhanti et al. argue that corporate social responsibility (CSR) reports could be used as the tool to measure the degree of transparency of a company and the good intentions of its policy (Ramadhanti et al., 2021). With such reports, it could be indicated that there is ill faith or that the corporate actors are keen on concealing legal infractions. As a result, the detailed analysis of the company policies, the meeting minutes, and internal and external audit reports is required to determine the possible illegal actions.

The complexity of establishing corporate criminal negligence is why it is important to have a multi-dimensional approach that involves law enforcement, independent auditors, and regulators specific to the field. Such a collaborative strategy can contribute to the elimination of the gaps in documentation, the enhancement of the quality of the investigation, and the enhancement of the evidentiary base of corporate criminal charges. As it is consistent with the reports made by Jiang et al. (Jiang et al., 2022) and Farah et al. (Farah et al., 2021), the utilization of the principles of transparency and cooperation between agencies is one of the components of the more transparent, efficient, and fair legal process.

Thus, the challenges in the implementation of corporate criminal law that relate specifically to procedural barriers are not only in the regulatory disharmony and procedural inconsistency but also in the inherent complexity of establishing *mens rea* in the policies and managerial decisions of the corporation. This is usually complicated by the socio-political aspects of the matter especially when the economic gains of big businesses determine the course and purity of law enforcement a question that is to be discussed even deeper in the next section.

3. Socio-Political Barriers: The implications of economic Power and the Phenomenon of Too big to Jail

The socio-political aspect is one of the greatest obstacles in the enforcement of the law against corporate crime in Indonesia. This is a factor that affects the success of law enforcement, however, it usually does not occur explicitly, but is conducted implicitly. The field interviews will show that local law enforcement officials admit that when it comes to corporate cases, the treatment is often subject to political pressure and economic factors. According to one of the regional officials, in a case that involves a large company, the process is likely to drag or even halt since they are afraid that the prosecution may have an impact on the economic stability of that place. This assertion is a commentary on the prevailing issue between macroeconomic interests influenced by political factors, and equitable law enforcement.

In the juridical context, the term too big to jail is applied to the scenarios when corporations that have significant economic and political influence are hardly subject to the law (Faturachman et al., 2024). Law enforcement officers are in a dilemma. They have to juggle their responsibility to maintain justice and the possible political and economic implications of their actions (Suartha & Ivory, 2024). The lack of balance between the government and big businesses undermines the autonomy of the institutions, which enable the big corporations to dodge the law.

This situation evidences that the process of regulatory capture or state capture takes place, i.e., state institutions are manipulated by particular economic and political interests. Symbiotic relationships between influential business groups and political elites in Indonesia are likely to give rise to policies that prefer some corporations over others. Studies indicate that economic interests often shape legislative procedures, which leads to poor laws to combat corporate offenses (Auerbach & Kartner, 2022). Meanwhile, the economic needs of the government on corporate investment and taxation usually cause the reluctance to implement the law addressing business-related crimes (Pasculli, 2021). Such a dynamic strengthens the economic oligarchy which in the end plays out to the detriment of the remedial and preventive roles of law.

In addition, structural imbalance of legal system has been a significant hindrance to application of corporate criminal liability. The provisions on corporate responsibility are found in many and have rather light administrative sanctions. Companies can use formal legal systems to escape criminal justice (Sembiring & Pujiyono, 2020). This state of affairs supports the impression that big businesses are overly influential and are practically not subject to criminal justice.

This phenomenon has affected the socio-political aspects of society, one of the most apparent effects of which is the loss of trust in the legal system among people. People are always strengthened in the thinking that justice is not administered equally when they see that big companies are treated better than those who commit minor crimes. Substantive justice is compromised through the economic interests and political power, which is expressed in the common adage that the law is kept down, but blurt up. Research has shown that these perceptions of injustice can produce social dissatisfaction, and cause a decreased legitimacy of legal institutions (Sari, 2023). In a more general sense, the loss of social confidence in the justice system reduces the civic engagement in the justice system and the process of reporting, surveillance, and bearing witness (Vries et al., 2022).

It is even complicated how the crisis of the general faith is, when the corporations adopt the strategy of social legitimacy through corporate social responsibility. Most companies may conform with the Environmental, Social and Governance disclosure rules in a nominal way lacking a practical effort to act ethically. Setyawan et al. observe that in Indonesia, the CSR practices tend to be symbolic and do not portray actual corporate accountability. Consequently, the community views CSR as a fake manifestation of being socially responsible rather than an tool that companies can utilize to hide illegal actions (Setyawan et al., 2023).

Besides economic and social factors, the influence of the media and the opinion of people also influence the enforcement of the corporate law. Legal issues that are reported by the media can either raise or lower societal pressure on the police (Arnafama et al., 2025). Regular reporting by the media particularly in high visibility cases can force law enforcement officials to go harder on corporate criminals. On the other hand, influential companies tend to utilize the media to create the story line to rationalize their actions and distract the masses of real legal problems.

This phenomenon is even more powerful by the rapid development of social media that accelerates the dissemination of the public opinion. The trending slogan No Viral, No Justice explains the fact that the digital age can shape priorities in law enforcement by the pressure of the Internet community (Yusuf et al., 2025). On the one hand, the current dynamic increases the transparency and accountability of legal institutions. Conversely, unverified social opinion can introduce confusion into the laws and disproportional pressure on law enforcement agents (Febrina et al., 2025). According to Halim and Khairi, when the independence of legal proceedings is impaired because of too much public pressure, the case might be decided in a biased way, especially when it is politically sensitive (Khairi, 2025).

These circumstances reveal that there are multidimensional socio-political barriers to enforcing corporate law. They mirror the complex interplay of economic strength, political effort and perceived justice by society. These challenges can only be overcome by political bravery and ethical uprightness by policy makers and law enforcement officers. The structural reform should be focused on the strengthening of the oversight system, the protection of whistleblowers, and improvement of the openness of the legal process through the increase of the publicity. Such actions are needed to put in place the legal system where justice is prioritized in short-term economic interests.

Conclusion

It establishes that law enforcement against corporate crime in Indonesia has three categories of barriers, which are related to each other, and they are institutional barriers, procedures barriers and socio-political barriers. The institutional obstacles encompass the small ability of the human resource, unequal technical guidelines and poor coordination of the law enforcement agencies, which all interact to bring about inefficiency and inconstancy in the delivery of justice. The procedural barriers are mainly caused by the incompatibility of the National Criminal Code and other sectoral laws, discrepancy in the principles of proving the element of fault (*mens rea*), and inconsistency of operational procedures in the national law enforcement institutions. The socio-political obstacles are manifested in the phenomenon of too big to jail as the economic strength and political connections of corporations tend to distort the autonomy and right of the law-enforcement agencies.

The results of this study highlight the importance of urgent multidimensional reform, that is, regulatory renewal, institutional capacity building and strengthening ethics of law enforcement officers to improve the effectiveness and fairness of corporate law enforcement. These initiatives entail regulatory convergence among industries, implementation of integrated standard operating procedures, unremitting interagency training and systems of transparent and responsible oversight. Such reforms need proper and effective political commitment in order to secure the fair exercise of justice irrespective of social statuses as well as economic strengths. To make corporate criminal law effective in Indonesia therefore, there must be a shift in the regulations and emphasis on the creation of a legal culture founded on honesty, openness and collaborative work. The synergistic integration of legal institutions, political will, and active participation of the population is the key to achieving a socially just criminal justice system that offers the rule of law and the presence of human values in the center of the national criminal policy.

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