Pakistan Journal of Life and Social Sciences
www.pjlss.edu.pk

https://doi.org/10.57239/PJLSS-2024-22.2.00257

RESEARCH ARTICLE

Legal Aspect in the Financial Service Industry's Default in Indonesia

Sulistyandari[1*], Tri Lisiani Prihatinah[2], Rohaida Nordin[3], Ulil Afwa[4], Muhammad Ikhsan Lubis[5]

[1]Associate Professor, Faculty of Law - Universitas Jenderal Soedirman, Indonesia
[2]Professor, Faculty of Law - Universitas Jenderal Soedirman, Indonesia
[3]Associate Professor, Faculty of Law - Universiti Kebangsaan Malaysia, Malaysia
[4]Asisstant Professor, Faculty of Law - Universitas Jenderal Soedirman, Indonesia
[5]Asisstant Professor, Faculty of Law - Universitas Jenderal Soedirman, Indonesia

ARTICLE INFO

Received: Jul 21, 2024

Accepted: Aug 20, 2024

Published: Sep 10, 2024

Keywords

Legal Aspects

Financial Services Industry

De-Fault To Pay

***Corresponding Author:**

Sulistyandari2605@unsoed.ac.id

ABSTRACT

During the COVID-19 pandemic, the business world in Indonesia was colored by news of defaults by several leading companies in Indonesia. The problem studied in this study is the responsibility of financial services companies (State owned enterprises) and the role of the Otoritas Jasa Keuangan (OJK) as a financial services supervisory agency for the Indonesian financial services industry that has defaulted. For the normative juridical research method, the main source is secondary data. Qualitative normative data analysis. The results show that financial service companies that have failed to pay their customers because of their mistakes must be legally responsible for the le-gal consequences and morally responsible for their negligence in not adopt-ing ethical principles in doing business. This responsibility assumes the form of having to pay for the losses suffered by customers when sued, and to restore the confidence of the public, which has been eroded in State owned enterprises (SOE), in addition to their disappointment with the management of State-owned enterprises, SOEs that do not heed ethical principles in doing business. In the case of defaulting SOE, OJK as the supervisor has not played its role of taking early preventive actions aimed at averting irregularities from occurring due to its inability to detect problems during its regular supervision. This shows that the periodic supervision carried out by the OJK is not yet effective.

INTRODUCTION

In late 2019–2020, the business world in Indonesia was colored with news coverage about the default of prominent Indonesian companies, some of which are state-owned enterprises (BUMN) such as PT. Asuransi Jiwa Sraya (Persero) and PT Asuransi Sosial Angkatan Bersenjata Republik Indonesia and PT Asabri (Persero). During the pandemic, such defaults occurred in private companies too, one of which is PT. Indosterling Optima Investasi (IOI).

PT. Asuransi Jiwa Sraya (Pesero) is a company established with the lofty objective of educating people to plan their future. In the beginning of Jiwasraya was incorporated in Indonesia on December 31st year 1859, under the name Nederlandsche Indische Levenverzekering en Lijvrente Maatschappij (NILLMIJ). The company later merged with nine other Dutch Colonial government owned companies and a national company. Based on Government Regulation Number 33 of 1972, Perusahaan Negara Asuransi Djiwasraya changed its status into limited liability company (Persero) Asuransi Jiwasraya and based on Law Number 1 of 1995, it changed into PT Asuransi Jiwasraya (Persero).

The default in PT. Asuransi Jiwa Sraya (Pesero), according to the Republic of Indonesia's Audit Board (BPK), is due to the company's funds being invested haphazardly without adequate research, and in the shares of low-quality companies with bad performance and inadequate security, leading to a negative spread. This eventually resulted in the liquidity of PT. Asuransi Jiwa Sraya (Pesero) coming under pressure, leading to default, besides the manage-ment's actions being inconsistent with the specified procedure.

Perusahaan Umum Asuransi Sosial Angkatan Bersenjata Republik Indonesia (Perum ASABRI) or Social Insurance Company for Indonesian Army was established based on Gov-ernment Regulation Number 45 on August 1, 1971. For improving its business operations and output, based on Government Regulation Number 68 of 1991, the constitution of the Corporation was changed from a Public Company (Perum) to Perusahaan Perseroan or Persero (Limited Incorporation or Ltd.). PT ASABRI (Persero) is now a State-Owned Company with Limited Incorporation, with all its shares belonging to the State, represented by the State Minister of State-Owned Enterprises as the sole Shareholder, based on Government Regulation Number 41 year 2003.

The Audit Board has identified several problems in PT ASABRI (Pesero), including the investment management not being done by competent personnel, putative investment fraud, or deviation related to non-duly fund investment.

PT. Indosterling Optima Investa (IOI) is a company established in 2011. The Indosterling Group originally offered financial and advisory services to medium-scale corporations in Indonesia through its subsidiary named Indosterling Capital. This company also operated a digital technology development business in the same year. In 2016, IOI launched another business unit involving the consumer sector by establishing PT Indosterling Wahana Boga with the trademark Bakmitopia. IOI is putatively in default concerning High Yield Promissory Notes (HYPN) investment product offering a yield of 9–12% per annum to investors. The case of IOI was handled by Satgas Waspada Investasi (Investment Alert Task Force) because the company is not enlisted officially with the OJK.

The three aforementioned companies are financial service companies under OJK super-vision, and the three are putatively in default during the Covid-19 pandemic. A company's inability to repay the principal debt obligation is called insolvency or default.

Existing literature on financial defaults in Indonesia often centers on the economic and regulatory consequences, but there is a notable gap in research addressing the legal framework and its effectiveness in preventing and managing defaults. This paper aims to fill that gap by analyzing the legal principles and regulations governing defaults, with a specific focus on the responsibilities of financial institutions and the OJK's supervisory role. The research contributes to the field by offering a comprehensive legal analysis and proposing recommendations to strengthen the existing framework.

Key terms that are central to this discussion include default, accountability, and supervision. Default refers to the failure of a financial institution to fulfill its debt obligations, which can lead to severe financial repercussions. Accountability pertains to the legal responsibility of financial institutions to their stakeholders, including customers, investors, and the state, ensuring that they adhere to ethical and legal standards. Supervision involves the oversight by regulatory bodies like the OJK to ensure that financial institutions operate within the legal framework and take preventive measures to avoid defaults.

This paper will explore these issues by critically examining how the current legal framework in Indonesia addresses defaults in the financial service industry. It will assess the effectiveness of accountability measures and the adequacy of supervision provided by the OJK. By comparing Indonesia's approach with international best practices, the paper aims to offer insights into potential reforms that could enhance the resilience of the financial service industry in Indonesia.

The default occurring in several Indonesian financial service industries will contribute to the rise of legal problems. There are some legal aspects concerning defaults in the Indonesian financial service industry. Some questions that can be posed to the companies in default are: what is the legal relationship between the company in default and the customers as the consumers, what legal efforts have the customers as consumers made to assert their rights, how the company as a corporation/administrator/shareholder/state (if the company is State owned Enterprises)'s accountability is to its consumers. Further, considering that the company is engaged in financial services, what is the role of OJK as the Financial Service Supervisory Institution, given that several (Indonesian financial service industries) companies under its supervision are in default. Some business actors have even putatively committed crimes through management inconsistent with the law or abuse of power.

The importance of this research lies in its efforts to ascertain how customers, as consumers of the Business Actors in default, can enforce their rights and perform their obligation, and how the public will obtain justice if the default incidence pertains to state-owned enterprises. This analysis can be contextualized in cases of payment failure that occur in a country.

Research question

Against the aforesaid background, the author the research problems are framed as follows:

1. What is the State Owned Enterprises Financial Service Company's accountability in case of default in the Indonesian Financial Service Industry?
2. What is the role of OJK as the financial service supervisory institution concerning the Indonesian financial service industries in default?

RESEARCH METHOD

This study represents normative juridical research, with the statute, conceptual and case study approaches. The primary data source used was primary law material including legislation with binding legal power, secondary law materials including literature, scientific articles, scientific journals, and tertiary law material including the Indonesian Big Dictionary. The qualitative normative analysis method interprets secondary data based on norms, legal principles, and legal theories.

LITERATURE REVIEW

The phenomenon of financial defaults has been extensively studied across various legal systems, with a particular focus on the economic and regulatory impacts. However, the legal aspects, especially in the context of emerging markets like Indonesia, have not been as thoroughly examined. This literature review aims to provide a comprehensive background by exploring both theoretical frameworks and empirical studies related to financial defaults, accountability, and supervision in financial service industries, particularly in legal systems similar to Indonesia's. The concept of default in financial services is often discussed within the broader context of credit risk and financial stability. According to Merton's[1] credit risk model, the probability of default is inherently linked to the financial health of institutions and the economic environment. This theoretical perspective has been foundational in understanding the risk factors that contribute to defaults, particularly in times of economic downturns. In the legal context, the principle of accountability has been a cornerstone of corporate governance. Jensen and Meckling's theory of the firm highlights the importance of aligning the interests of managers with those of shareholders to mitigate the risk of defaults due to mismanagement. This concept has been expanded in subsequent studies to include the role of regulatory bodies in ensuring that financial institutions adhere to legal and ethical standards.

[1] U Erlenmaier & H Gersbach, "Default Correlations in the Merton Model" (2014) Rev Financ 1775–1809.

The existing literature on financial service industry defaults in Indonesia is limited, but a growing body of research has explored the legal and regulatory aspects of financial supervision and accountability in various contexts. Recent empirical studies have highlighted the importance of effective financial supervision in preventing and mitigating defaults. For instance, a cross-country analysis found that strong banking supervision and regulation are crucial for maintaining financial stability and reducing the likelihood of defaults.[2] Similarly, Lubis et al. emphasized the need for proactive and coordinated supervision across financial sectors to address emerging risks.[3] From a legal perspective, Hill J have discussed the theoretical foundations of accountability, examining the concepts of individual, collective, and strict liability in the context of corporate misconduct.[4] These studies provide a valuable framework for analyzing the liability of financial service companies in default cases.

Regarding the role of financial regulatory authorities, Barth, J., Caprio, G., and Levine, R. have explored the legal principles and practical aspects of effective supervision, highlighting the need for preventive measures, corrective actions, and enforcement mechanisms.[5] These insights are particularly relevant in the context of the OJK's supervisory responsibilities. The recent enactment of the Law on the Development and Strengthening of the Financial Sector (P2SK Law) in Indonesia represents a significant regulatory development. Scholars such as Johan, S., and Gunadi, A have discussed the potential implications of this law, emphasizing its focus on strengthening the OJK's authority, enhancing consumer protection, and improving the management of financial institution defaults.[6]

This research paper builds on the existing literature by providing a comprehensive analysis of the legal aspects surrounding financial service industry defaults in Indonesia. By drawing on a diverse range of perspectives, including recent empirical studies and theoretical frameworks, the study aims to contribute to the understanding of the legal complexities and the evolving regulatory landscape in this domain.

Recent empirical research has shed light on the effectiveness of legal frameworks in preventing and managing financial defaults. A study by Ballester, L., González-Urteaga, A., and Martinez, B. examines the role of legal and regulatory systems in financial stability across different countries.[7] The study finds that stronger legal frameworks are associated with lower default rates, particularly in countries with robust supervisory mechanisms. This suggests that the legal environment plays a critical role in mitigating the risk of defaults in the financial service industry.

Another relevant study by Saputra, R., and Emovwodo, S. analyzes the relationship between legal origins and financial development. Their research indicates that countries with common law systems tend to have more developed financial markets and lower incidences of default compared to civil law countries. This is particularly relevant for Indonesia, which has a mixed legal system with influences from both civil law and customary law, highlighting the need for tailored legal solutions to address

[2] B Tabak et al, "Financial stability and bank supervision" (2016) 18 Financ Res Lett 322–327.
[3] T Kedarya & A Elalouf, "Risk Management Strategies for the Banking Sector to Cope with the Emerging Challenges." (2023) Foresight STI Gov.
[4] J Hill, "Legal Personhood and Liability for Flawed Corporate Cultures" (2019) Crim Law eJournal.
[5] Johan, S & A Gunadi, "Justice Aspects of Financial Service Authorities's Competence for Bankruptcy and PKPU of Financial Service Institutions Based on Law No. 4 Year 2023." (2023) J Mercat.
[6] *Ibid*.
[7] L Ballester, A González-Urteaga & B Martinez, "The role of internal corporate governance mechanisms on default risk: A systematic review for different institutional settings" (2020) 54 Res Int Bus Financ.

defaults.[8] In a study focusing on the Asian financial crisis, Johnson, S., Boone, P., Breach, A., and Friedman, E. explore the role of legal frameworks in corporate governance and financial distress. They find that countries with stronger investor protection laws and more effective regulatory oversight experienced fewer corporate defaults during the crisis. This underscores the importance of legal protections and proactive supervision in preventing financial instability.[9]

While there is a substantial body of research on financial defaults, much of the existing literature focuses on developed economies with well-established legal systems. There is a relative scarcity of studies that address the unique challenges faced by emerging markets like Indonesia, where legal frameworks are still evolving, and enforcement can be inconsistent. This paper aims to fill this gap by providing an empirical analysis of the legal aspects of financial defaults in Indonesia, with a particular focus on accountability and supervision.

The literature reviewed indicates that strong legal frameworks and effective supervision are critical in preventing financial defaults. However, the specific challenges faced by countries with mixed legal systems, such as Indonesia, require further investigation. This study contributes to the existing literature by examining the legal aspects of financial defaults in Indonesia's financial service industry, drawing comparisons with similar legal systems to provide a comprehensive understanding of the issues at hand. By expanding on recent empirical studies and incorporating lessons from comparable jurisdictions, this research aims to offer actionable recommendations for strengthening Indonesia's legal framework to better manage financial defaults.

ANALYSIS AND DISCUSSION

1. State/company's accountability in the case of the defaults in the financial service industry in Indonesia

Accountability is defined in the Indonesian Dictionary as a condition of obligatorily assuming everything or giving an answer and receiving the consequence. Accountability is human awareness of one's behavior and deed, either intentionally or unintentionally.

The accountability theory, according to Hans Kelsen, based on the pure legal theory book, is divided into the following:

a. Individual accountability, an being individually accountable for the offense he/she commits singly,
b. Collective accountability, meaning that an individual is accountable for an offense committed by another or others,
c. Accountability based on the fault, meaning that an individual is accountable for the offense committed intentionally and putatively aiming to harm,
d. Absolute accountability means that an individual is accountable for an offense he/she committed unintentionally and unexpectedly.[10]

The tort liability theory, according to Abdulkadir Muhammad, based on the Indonesian corporate legal book, is divided into the following:

a. Intentional tort liability, in which the defendant must have committed a deed that harms the plaintiff, knowing that the defendant's actions will result in harm.

[8] R Saputra & S Emovwodo, "Indonesia as Legal Welfare State: The Policy of Indonesian National Economic Law" (2022) J Hum Rights, Cult Leg Syst.
[9] S Johnson et al, "Corporate Governance in the Asian Financial Crisis." (2000) 58 J financ econ 141–186.
[10] Hans Kelsen, *Teori Hukum Murni: Dasar-Dasar Ilmu Hukum Normatif* (Nusamedia, 2019).

b. Negligence tort liability is based on the concept of fault related to intermingled morals and law.
c. Strict liability, based on the deed, intentional or unintentional.[11]

From the definition of accountability and tort liability,[12] it can be seen that an individual or a group of individuals (collective) is responsible or liable based on fault/without fault due to legal/moral violation he/she//they committed either intentionally or unintentionally.

In legal science, the term person/persoon/purusa/private person is the subject of right/subject of law, the proponent of legal right and obligation. This term, in civil law, refers to one who can be the subject or proponent of civil rights and obligations, civil legal relations, authorized or entitled civilly. So, persoon is a legal subject with right/legal authority, the authority of being the proponent of civil rights and obligations. Person/persoon/purusa/private person actually has a broader meaning, as it includes Natuurlijke Persoon/human/purusa nature/private human and Rechtspersoon/corporation/purusa hukum. Concerning the accountability or liability definition and theory, one liable or accountable for legal/moral violations is the person-legal subject, human or corporate.

PT. Asuransi Jiwa Sraya (Pesero), PT ASABRI (Persero), PT. Indosterling Optima Investa (IOI) are the companies, based on the results of research, in default during the Covid-19 pandemic. As for their form, the companies are limited incorporation, belonging to the legal subject constituting a corporation. Perseroan Terbatas (English: Limited Incorporation or Ltd, hereafter called Persero), according to Law Number 19 of 2013 about State-Owned Enterprises, refers to limited incorporation, the capital of which is divided into shares, all or at least 51% (fifty-one percent) of which belong to the Republic of Indonesia, that is primarily profit-oriented. Limited Liability Company (PT), according to Law Number 40 year 2007 about PT, is a corporation constituting a capital alliance, established based on an agreement, carrying on business activities with its entire basic capital divided into shares and fulfilling the requirement specified in this law and its implementing regulation.

PT. Asuransi Jiwa Sraya (Pesero) and PT ASABRI (Persero) are State-Owned Enterprises, with state ownership of 51% or more. Thus, considering the result of the research, it can be seen that PT. Asuransi Jiwa Sraya (Pesero) and PT ASABRI (Persero), the companies in default, are state-owned enterprises in the form of corporations. PT. Asuransi Jiwa Sraya (Pesero) and PT ASABRI (Pesero) run a financial service business, viz., insurance. Article 1 of Law 40 year 2014 about Insurance defines insurance as an agreement between two parties: the insurance company and the policyholder, based on premium receipt by the insurance company as the return of:

a. Compensation given to the insured or the policyholder due to loss, harm, cost generated, lost profit, or legal liability to the third party assumed by the insured or policyholder due to an uncertain event; or
b. Payment given based on the insured's death or the insured's life with the size of benefit specified and/or based on fund management result.

From the above definition, in the presence of an insurance agreement, PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) entered into an agreement or legally binding contract between the Insurance Company as the insurer and the customer as the policyholder or insured, each of which has their own right and obligation. The Insurance Company (the Insurer) obligatorily compensates

[11] Abdul khadir Muhammad, "Hukum Perusahaan Indonesia" (2010) Jakarta PT Citra Aditya Bakti.
[12] Alan Strudler, "Tort theory and justice" (1987) Philos Stud.

the Insured or the Policyholder for loss, harm, cost generated, profit loss, or legal liability to the third party assumed by the insured or policyholder due to an uncertain event or effects payment based on the insured's death or life, with the size of benefit specified and/or based on fund management result. The insurer/insurance company is entitled to the obligation premium. If the study found that PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) are in default, it means that the insurance company could not discharge their obligation as mentioned in the agreement. For each of the parties to be able to sue based on the violation of a right or unfulfilled obligation as specified in the agreement, the agreement entered into must fulfill the requirement of a legal agreement, as mentioned in Article 1320 of KUHPerdata.

Viewed from the aspect of legal relations in which PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) are in default, meaning that the insurance companies could not discharge their obligation as specified in the agreement, it can be said that PT Asuransi Jiwa Sraya (Persero) and PT ASABRI have failed to keep their promise or are in default. The phrase "in default" refers to the debtor (the one having obligation) not performing its obligation as specified in the agreement due to its fault. The default of a debtor can be divided into four types:

1) Not doing what it has promised to do,
2) Doing what it has promised but not in the promised manner,
3) Doing what it has promised after delay,
4) Doing something not permitted by the agreement.

The consequences or sanctions to the defaulting debtor include:

1) Compensating the creditor for the loss it assumes (Article 1247 of KUHPerdata);
2) Agreement revocation (Article 1266 of KUHPerdata)
3) Risk transfer (Articles 1237, 1460 of KUHPerdata)
4) Payment of case cost, if it is brought to the court (litigation) (Article 181 HIR).

If the debtor is in default, the creditor (the entitled one/the one whose right is violated) can choose some options as mentioned in Article 1267 KUHPerdata: 1) the fulfillment of the agreement, 2) the fulfillment of the agreement with compensation, 3) compensation, 4) agreement revocation and 5) revocation with compensation. Thus, the cases of PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) can be classified into default, and they are obligatorily liable for the lawsuit with any consequence/sanction vis-à-vis those who have suffered the default.

Besides legal liability as aforementioned, theoretically, there is a moral liability for the two defaulting companies. How about moral responsibility in the case of PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) default.

The word ethic[13] is derived from the Latin word *mos* (singular form) or *mores* (plural form), meaning custom, habit, conduct, character, disposition, or lifestyle (Kanter). In Indonesian Big Dictionary, the word ethic is defined as a) the science about good and bad, b) about right and moral obligation (character); c) right and wrong values adhered to by a group or general society. The sources of ethics/morals are 1) religion/creed; 2) philosophy/ideology; 3) cultural experience and development and 4) law. The four sources are life rules/norms/guidelines that can be divided into two aspects of life: personal life and interpersonal. Thus, the law is replete with moral values/ethics about good and bad, because bad things/values are prohibited, and if the values are transgressed, sanctions will be imposed. The result of this case study on the default of PT Asuransi Jiwa Sraya

[13] Willy Moka-Mubelo, "Law and Morality" in *Philos Polit - Crit Explor* (2017).

(Persero) and PT ASABRI (Persero) represents the interpersonal life aspect, as it involves the business relationship between the insurer and the insured.
In business ethics, there are five principles[14]: **1) Autonomy**, the ability to make a decision and take actions based on the harmony between what is good to do and the moral responsibility for any decision made; 2) **Honesty** is the key to a successful business, with aspects of controlling the consumers, work relation, etc. 3) **Justice**, which means that in conducting business, everyone should be treated according to their right and not harmed; 4) **Mutual benefit**, likewise in competitive business; and 5) **Moral integrity** is the basic principle in a running business, in which the company's reputation should be maintained to make it credible deserve consideration as the best company.[15] Concerning the result of its investigation, Indonesia's Audit Board (BPK) stated that the default by PT. Asuransi Jiwa Sraya (Persero) is due to its funds being invested haphazardly without adequate study, in the shares of companies with poor performance and low-quality share and security, leading to a negative spread. This eventually resulted in liquidity pressures against the company, leading to default. In addition, the management did not adhere to the specified procedure. BPK has identified several problems in PT ASABRI (Persero) too: investment management did not involve competent personnel and putative investment abuse was detected, related to the investment fund allocation. BPK essentially concluded that the two companies ignored ethical business principles.

Thus, the case of insolvency (default) in PT. Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) results from their fault. Therefore, they should be responsible either legally with appropriate legal consequences or morally, due to their fault of abandoning ethical business principles. Consequently, they should compensate for any loss the insured incurs and lose the public trust in State Owned Enterprises (SOE). Restoring public trust and confidence in the business performance of BUMN should be assigned priority.

2. The role of OJK as the financial service supervisory institution VIS-A-VIS Indonesian financial service industries in default

Law No. 21 year 2011 about the Financial Service Authority (UU OJK) states that OJK is established, *inter alia*, to protect the consumers' interest in respect of all financial service activities. OJK organizes the integration of regulatory and supervisory systems into all activities in the financial sector. **OJK performs regulatory and supervisory duties vis-a-vis financial service activity in the banking and non-banking sectors.** For this, OJK is authorized to regulate and supervise banking and non-banking institutions, conduct inspections and impose administrative sanctions (Article 4-9). OJK's supervision relates to the prudential aspects of financial service business behavior.[16]

Article 8 of OJK Law states that OJK is authorized a) to issue this law implementing regulation, b) to issue legislation in the financial service sector, c) to issue OJK's regulation and decisions, d) to issue regulations about supervision in the financial services sector, e) to frame policies about the implementation of OJK's duties, f) to issue regulations about the procedure of issuing written order (command) to Financial Service Institution and certain parties, g) to issue regulations about the procedure of establishing statutory managers in Financial Service Institutions, h) to establish organizational structure and infrastructure, and to manage, maintain, administrate wealth and

[14] Archie B Carroll, *Archie B Carroll, "Principles of Business Ethics: Their Role in Decision Making and an Initial Consensus"* (Manag Decis, 1990).
[15] Sonny Keraf & Robert H Imam, *Etika Bisnis* (Yogyakarta: Kanisius, 1998).
[16] Inka et al, *Bank Capital, Liquidity Creation, Profitability, and Financial Stability: Evidence Across Countries"* (Otoritas Jasa Keuang Work Pap).

obligation and i) to issue regulations about the procedure of imposing sanctions according to the provisions of legislation relating to the financial services sector.
Article 9 of UU OJK states that to perform its supervisory duty, OJK is authorized to a) to formulate operational supervisory policy over financial service activities, b) to supervise the implementation of the supervisory duty by the Executive Director, c) **to perform supervision, inspection,** investigation, consumer protection, and other actions concerning Financial Service Institutions, actors, and/or other elements supporting financial services activity as mentioned in the related legislation, d) issue written orders or commands to Financial Service Institutions and/or certain parties, e) to assign statutory manager, f) to establish the employment of statutory manager, g) to impose administrative sanctions on the party violating the legislation in financial service sector; and h) give and/or revoke 1) business permit, 2) individual permit, 3) effective registration statement, 4) registration certificate, 5) approval of business activity, 6) legalization, 7) approval or assignment of dismissal and 8) other assignment, as mentioned in the legislation on the financial service sector.

Overall, there are 2 (two) arguments about the concept of supervision.[17] Firstly, the term *controlling* is translated into supervision, not including corrective action or control. Here, the objective of supervision is limited to matching the activity done to the parameter specified. Secondly, the term *controlling* is translated into supervision and control including corrective action.[18] For a supervisory action to be implemented, the following elements are required:

1. Obvious authority of the supervisory apparatus,
2. Plan, policy, instruction, and provisions specified and enacted to be the testing instrument for the implementation of duty/activity to be supervised,
3. Supervisory action can be taken over either the activity, process, running, or outcome of the activity.
4. Supervisory action ends with the organized final evaluation of the activity done and matching the outcome achieved to the plan, policy, instruction, and provision specified and enacted as the parameter.
5. Further, supervisory action will be followed up either administratively or juridically.[19]

The objectives of supervision[20] are, *inter alia*, to observe duty implementation, objective, and actual goal in an organization and then to compare them with those that should be, aiming to report the deviation/fraud immediately to the one responsible for the corresponding activity for initiating corrective action, if necessary.

The essence of supervision[21] is to prevent, as early as possible, the occurrence of deviation, extravagance, fraud, obstruction, error, and failure in the achievement of objectives and goals and

[17] Jens David Ohlin, Elies Van Sliedregt & Thomas Weigend, *Assessing the control-theory"* (Leiden J Int Law 725–746., 2013).
[18] Victor M Situmorang, *Aspek Hukum Pengawasan Melekat Dalam Lingkungan Aparatur Pemerintah* (1994).
[19] S H Muchsan, *Sistem Pengawasan Terhadap Perbuatan Aparat Pemerintah Dan Peradilan Tata Usaha Negara* (Yogyakarta: Liberty, 2007).
[20] Tai H Park, *The" Right to Control" Theory of Fraud: When Deception without Harm Becomes a Crime* (2011).
[21] Avner Greif, *Institutions and the path to the modern economy: Lessons from medieval trade* (Cambridge University Press, 2006).

the implementation of organizational tasks.[22] Supervising the banking financial service from the legal perspective is an attempt at providing justice that in law is formulated as rights and obligations. Therefore, rights and obligations formulated normatively should bring justice to the parties. If it has not brought justice normatively, some revision or correction is needed to the law itself. Then the law (rights and obligations) should be implemented as well. If deviation or violation occurs in its implementation, the enforcement should be taken up and the factors causing deviation should be ascertained, to achieve justice for the parties. In this research context, regulation and supervision over banking financial service behavior are aimed at protecting the consumers and the general public.

Supervision, according to Tatiek Sri Djatmiati[23] in administrative legal study, is a part of the legal enforcement aspect, the instruments of which are Supervision and Sanction. Supervision is conducted over the member of society's with the obligatory provision or prohibition. Sanction is an instrument of imposition; therefore the development of the rule containing the sanction should be done by a body authorized to legislate (Algemen Verbinden de Voorschrijjten).

Conceptually, the essence and the meaning of legal enforcement lies in the activity of synchronizing the values elaborated in the well-established and embodied norms and the attitude or action as a series of elaboration of final-stage values to create, take care of, and maintain peaceful life intercourse.[24]

Not only does legal enforcement mean the implementation of law or court decision, but is also a process, essentially constituting the application of discretion pertaining to making decisions not regulated strictly by the law but having a personal assessment element and thereby, some disruption may arise in legal enforcement when there is no harmony among value, norm, and behavioral pattern that can harm peaceful life intercourse.

The supervision theory explains that supervision may involve 1) preventive action (aiming to prevent the deviation early, 2) corrective action following the deviation and 3) legal enforcement action by imposing a sanction, if the corrective action is not fruitful.

Role, according to Soerjono Soekanto, is defined as a dynamic aspect of position (status); if an individual undertakes his rights and obligations according to his position or status, he will play a role.[25]

Role[26] is a dynamic aspect of social status or position, and when an individual can perform his obligation and get his right, he has played a role. The role of OJK as a financial service supervision institution in governing and supervising financial service institutions should have been played according to its obligation and function as specified in the enacted legislation. This research will ascertain whether or not OJK has played its role in the case of default of PT Asuransi Jiwa Sraya (Pesero) and PT ASABRI (Pesero).

---

[22] Budi Permana, "Urgensi Proyek Perubahan Pada Diklat Kepemimpinan Pola Baru Di Pusat Kajian Dan Pendidikan Dan Pelatihan Aparatur I Lembaga Administrasi Negara (PKP2A I LAN)" (2018) J Wacana Kinerja Kaji Prakt Kinerja Dan Adm Pelayanan Publik 23–51.
[23] Tatiek Sri Djatmiati, *Prinsip Izin Usaha Industri di Indonesia* (UNIVERSITAS AIRLANGGA, 2004).
[24] Soerjono Soekanto, *Faktor-Faktor Yang Mempengaruhi Penegakan Hukum* (2004).
[25] Soerjono Soekanto, *Teori Peranan* (Jakarta: Bumi Aksara, 2002).
[26] A P Pandey, "Role Of Law Journals" (1982) 24:No. 4 J Indian Law Inst 893–96.

From the finding of the research, it can be seen that according to OJK, special treatment is given to the insurance companies in trouble, to improve the company's condition immediately and to prevent its customers from being victimized. **Firstly,** this research seeks a deeper understanding of the root cause of the problems encountered by the company. OJK will hold discussions with the management and shareholders, if necessary, to ascertain whether the problem is new or an inherited one. After

the root of the problem has been mapped, OJK, along with the company, will identify a strategy or mechanism of solution for the problem. OJK will study the impact of the problem on the financial service institution industry as well. **Secondly,** OJK will apply *risk-based supervision* according to the condition of individual companies, supported by adequate infrastructural development. Ihsanuddin, a member of OJK, stated that in the background of the Covid-19 pandemic condition, information technology-based supervision will be optimized. To both financial conglomerations and individual companies, integrated supervision will improve cross-sector joint supervision involving both banking and capital market sectors to optimize the efforts to provide solutions to companies in trouble. **Thirdly,** OJK will seek a commitment from the shareholders or the company's management to prepare a financial recapitalization plan (Indonesian: *Rencana Penyehatan Keuangan* or RPK). The recapitalization activity is also supervised to find out the settlement duration agreed to by the company and OJK. If the solution does not work, the regulator has regulation and we have liability. OJK will function according to the rule enacted and impose a sanction, give warning, restrict business activity, and finally revoke the business permit if the problem cannot be solved. The Head of OJK's Commissioner Board, Wimboh Santoso, explained that in encouraging the reinforcement of the insurance industry, the supervision will be changed based on risk management norms and corporate governance. In addition, the supervision will anticipate the development of digital technology and products. Supervision is conducted to predict the arising of likely risk despite the lack of reflection. He considered supervision important to keep customers protected and duly benefiting. Supervision can prevent customers from being entrapped in high-risk and less comprehensible products.

OJK's Regulation (POJK) No. 30 /POJK.05/2020 about the second amendment to OJK's Regulation No. 11/pojk.05/2014 about the Direct Inspection of Non-Bank Financial Service Institutions states that such inspection is intended a) to get a description of the condition of a Non-banking Financial Service Institution b) to get adequate conviction about the Soundness Rate of the Non-banking Financial Service Institution; and/or c) to ascertain the Non-banking Financial Service Institution's compliance with legislations in the related sector. OJK conducts direct inspection of Non-banking Financial Service Institutions, both periodically and anytime. It is in line with the supervision theory, which indicates that supervision is intended to prevent, as early as possible, deviation, extravagance, fraud, obstruction, and failure in the achievement of objectives and goals and the implementation of organizational duties (Lembaga Administrasi Negara RI or RI's State Administrative Institution, 1997: 159). However, concerning the result of the research, it can be seen that OJK as the supervisor has not been able to prevent deviation from occurring in PT Asuransi Jiwa Sraya (Pesero) and PT ASABRI (Pesero). After the problem surfaced, juridical or corrective action has been undertaken following the deviation and the failure in achieving the organizational objective by the two companies. It indicates that OJK has not contributed to preventing the deviation from occurring through periodical supervision. The method used by OJK in its periodical supervision should be reviewed because deviations continue to occur and are not detected by OJK as the supervisor.

Due to the ineffectiveness of OJK Law NO. 21 of 2011 concerning the Financial Services Authority in anticipating cases of default, the government then refined the regulations by issuing Law Number 4 of 2023 concerning Development and Strengthening of the Financial Sector. Law no. 4 of 2023 concerning Development and Strengthening of the Financial Sector (UU P2SK) is a reform step in the financial sector that brings significant changes, including for the Financial Services Authority (OJK).

The P2SK Law was passed with the aim of strengthening the authority and governance of institutions in the financial sector, including the OJK, Bank Indonesia (BI), and the Deposit Insurance Corporation (LPS). Through this law, the Deposit Insurance Corporation (LPS) experienced changes in its institutional arrangements, duties and authority, especially in carrying out bank guarantees and resolutions. This marks a significant change for listed companies and business actors in the financial sector, requiring adaptation in existing systems and coordination. In Law no. 4 of 2023 concerning Development and Strengthening of the Financial Sector (P2SK), OJK's authority in supervising and handling defaults in financial institutions in Indonesia is specifically regulated in several articles, including:

Article 8B explains that the Financial Services Authority (OJK) is the only party authorized to submit a request for a declaration of bankruptcy and/or a request for postponement of debt payment obligations to debtors who are banks, securities companies, stock exchanges, alternative market operators, clearing and guarantee institutions, depository and settlement institutions, administrators of investor protection funds, securities funding institutions, securities price assessment institutions, insurance companies, sharia insurance companies, reinsurance companies or sharia reinsurance companies, pension funds, guarantor institutions, financing institutions, microfinance institutions, electronic system operators that facilitate the raising of public funds through securities offerings, information technology-based joint funding service providers, or other WKs registered and supervised by the OJK, as long as their dissolution and/or bankruptcy are not regulated differently from other laws.

This article provides a broad overview of the OJK's authority in supervising and handling default situations in the Indonesian financial sector, showing the OJK's central role in maintaining financial system stability. Changes brought by Law no. 4 of 2023 concerning Development and Strengthening of the Financial Sector (P2SK) compared to the previous Financial Services Authority (OJK) Law, in the context of OJK's supervision and authority to anticipate financial institution defaults, mainly lies in strengthening and expanding OJK's authority.

The changes provided through the P2SK Law are:

1. Tighter supervision: The P2SK Law may introduce a stricter supervisory framework for financial institutions, with a focus on earlier identification of systemic and operational risks. This aims to strengthen OJK's ability to detect financial problems at an early stage and take preventive action before payment failure occurs. This includes tighter oversight of operational risks, liquidity and solvency of financial institutions.

2. Prevention of payment defaults: Through this law, the OJK can introduce new regulations that allow financial institutions to take early preventive action against potential payment defaults. This could include higher capital requirements, restrictions on certain types of investments, or stricter liquidity requirements.

3. Early intervention authority: Changes in the law could give the OJK greater authority to intervene early on financial institutions that show signs of financial difficulty. This intervention could take the form of a recovery plan, debt restructuring, or even a temporary takeover by the OJK to prevent greater losses for the financial system and consumers.

4. Crisis resolution framework: The P2SK Law may introduce or strengthen a crisis resolution framework that allows the OJK to take more decisive action in situations of default, such as temporarily taking over the management of a financial institution, merging it or selling it to a third party to minimize the impact on the financial system.

5. Consumer protection: Changes in legislation can also accommodate strengthening consumer protection mechanisms, including through strengthening the deposit insurance system. This could include strengthening deposit insurance mechanisms and developing a framework to ensure that consumer rights are protected during the default resolution process.

6. Inter-agency coordination: The P2SK Law may emphasize the importance of coordination between the OJK and other institutions such as Bank Indonesia (BI) and the Deposit Insurance Corporation (LPS), as well as with the government, in managing systemic risk and anticipating payment defaults. This includes information exchange and cooperation in formulating macroprudential policies.

7. Changes to structure and governance: Changes also include structural and governance aspects within the OJK itself, such as strengthening independence and accountability, to ensure that the OJK can carry out its supervisory duties effectively and without interference.

Overall, while the P2SK Law aims to strengthen Indonesia's financial ecosystem as a whole, the specific changes to the OJK's supervision and authority in anticipation of financial institution defaults are designed to make the financial system more resilient, protect consumers, and maintain macroeconomic stability. Law no. 4 of 2023 concerning Development and Strengthening of the Financial Sector (P2SK) brings significant reforms to the regulation, supervision and authority of the Financial Services Authority (OJK) in handling defaults by financial institutions in Indonesia. This reform aims to strengthen financial system stability, increase consumer protection, and ensure the business continuity of financial institutions. The main aspects regulated in this kind of law are based on global financial supervision practices and the objectives that have been expressed by the government and the OJK:

1. Proactive supervision

The P2SK Law is expected to introduce a more proactive supervisory framework by the OJK, including the use of analytical tools and early warning indicators to identify financial institutions that have the potential to experience default. This allows OJK to act more quickly and prevent problems from escalating.

2. Intervention and resolution authority

This law may give the OJK broader authority to intervene in financial institutions experiencing financial difficulties, including the ability to:

a. Direct action and restructuring plans.

b. Replacing management or supervisory board.

c. Facilitate the merger, acquisition or liquidation of financial institutions to minimize the impact on the financial and economic system.

3. Consumer protection

One of the main focuses of the P2SK Law is consumer protection. This could include strengthening deposit insurance frameworks and ensuring that consumers have access to effective and speedy dispute resolution mechanisms, especially in cases of financial institution default.

4. Cross-institutional collaboration

The P2SK Law is likely to clarify and strengthen cooperation between OJK and Bank Indonesia, the Deposit Insurance Corporation and other government agencies. This cooperation is essential in managing and resolving crises in the financial sector, ensuring effective coordination in handling financial institutions that experience default.

5. Governance and sustainability
The law is expected to regulate the internal governance of financial institutions more strictly, including requirements related to risk management, liquidity and capital. Good governance and compliance with sustainability standards can help prevent defaults and increase public confidence in the financial sector.

6. Innovation and digital transformation
Given the importance of digital transformation in the financial sector, the P2SK Law may also regulate the use of technology to improve supervision and service to consumers, including in the context of handling and preventing payment defaults.

The regulations in the P2SK Law reflect the understanding that financial system stability is very important for the Indonesian economy. By giving OJK greater authority for supervision, intervention and resolution, it is hoped that OJK can be more effective in managing systemic risk and protecting consumer interests so that mitigation of payment default cases can be carried out better by OJK compared to before.

The analysis presented in this section delves into the accountability of state-owned enterprises (SOEs) in Indonesia's financial service industry, particularly in cases of default. The discussion is bifurcated into two main aspects: legal and moral responsibilities. Furthermore, the role of the Otoritas Jasa Keuangan (OJK) as the primary supervisory body is examined, with a focus on its effectiveness in preventing such defaults. While the discussion is comprehensive, the inclusion of specific case studies would enhance the understanding of how these legal theories are applied in real-world scenarios, particularly in the cases of PT. Asuransi Jiwa Sraya and PT ASABRI. The legal accountability of SOEs, particularly in cases of default, is governed by a complex interplay of corporate law, financial regulations, and contractual obligations. Under Indonesian law, SOEs such as PT. Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) are expected to adhere to stringent legal standards that safeguard the interests of their stakeholders, including the government, shareholders, and customers. In the context of PT. Asuransi Jiwa Sraya, the company's failure to meet its obligations to policyholders constitutes a breach of contract, thereby invoking legal liability under the Civil Code. The company's mismanagement of funds, as highlighted by the Audit Board of Indonesia (BPK), further compounds its legal liability, as it violated the fiduciary duty owed to its customers. This breach of fiduciary duty also brings into play the tort liability under Indonesian law, where the company could be held liable for damages caused by its negligence or intentional misconduct. Similarly, PT ASABRI's case demonstrates the legal implications of default. The company's involvement in investment fraud and mismanagement, as identified by the BPK, not only violated contractual obligations but also breached the public trust, which is crucial for SOEs. The legal framework demands that such breaches be addressed through compensation for affected parties and corrective measures to prevent future occurrences. In addition to legal accountability, SOEs are also expected to uphold moral responsibilities. The ethical obligations of SOEs, particularly in the financial service industry, are derived from the broader principles of business ethics. These include transparency, honesty, and the obligation to act in the best interests of stakeholders. The cases of PT. Asuransi Jiwa Sraya and PT ASABRI highlight significant ethical lapses, as both companies engaged in practices that were not only legally questionable but also morally indefensible.

The OJK is mandated to oversee and regulate Indonesia's financial service industry, including SOEs. Its role encompasses both preventive and corrective measures to ensure the stability and integrity of the financial system. However, the analysis reveals significant shortcomings in OJK's preventive measures, particularly in its failure to detect and address the irregularities that led to the defaults of PT. Asuransi Jiwa Sraya and PT ASABRI. Despite its broad regulatory powers, OJK's supervision has been criticized for being reactive rather than proactive. The cases of PT. Asuransi Jiwa Sraya and PT

ASABRI are emblematic of this issue, where OJK's failure to implement effective early-warning systems and conduct thorough audits allowed financial mismanagement to escalate to the point of default. In the case of PT. Asuransi Jiwa Sraya, OJK's supervisory role was undermined by its inability to detect the company's risky investment strategies, which ultimately led to significant financial losses. OJK's lack of timely intervention, despite evident red flags in the company's financial statements, raises questions about the effectiveness of its regulatory framework. Similarly, in PT ASABRI's case, OJK failed to prevent the company's involvement in investment fraud, which was a clear breach of both legal and ethical standards. The absence of stringent oversight allowed the company to engage in practices that were detrimental to its financial health and to the interests of its policyholders.

To better illustrate the application of legal theories in these cases, specific examples is in the case of PT. Asuransi Jiwa Sraya (Persero). The company's default resulted from its engagement in high-risk investments without proper due diligence. According to the Civil Code, this constitutes a breach of contract and fiduciary duty, making the company legally liable for damages. The legal repercussions included lawsuits filed by policyholders and a significant loss of public trust. The company's management also failed to uphold its moral responsibility to its stakeholders by prioritizing short-term gains over long-term stability. This ethical lapse exacerbated the legal consequences and led to increased scrutiny from both the public and regulatory bodies. It is underscores the critical role of legal and moral accountability in the financial service industry, particularly for state-owned enterprises. The cases of PT. Asuransi Jiwa Sraya and PT ASABRI illustrate the severe consequences of defaults, both legally and ethically. Additionally, the role of OJK as a supervisory body is crucial in preventing such defaults, yet the analysis reveals significant gaps in its preventive measures.

CONCLUSION AND RECOMMENDATIONS

PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) are financial service companies (State-Owned Enterprises) in default due to their fault; therefore, they should be liable or accountable legally with legal consequences and morally for ignoring ethical business principles. Supervision involves 1) preventive action (aiming to prevent the deviation early), 2) corrective action following the deviation and 3) legal enforcement action by imposing a sanction, when the corrective action is not fruitful. In the case of PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) in default, OJK as the supervisor has not undertaken preventive action because OJK could not evidently detect the problem early during periodical supervision. PT Asuransi Jiwa Sraya (Persero) and PT ASABRI (Persero) should apply ethical business principles, constituting the source of legal value. Applying ethical principles also avoids breaking the law/deviation. The method implemented by OJK during periodical supervision should be reviewed because deviations continue to occur and are undetected by OJK as the supervisor.

Law no. 4 of 2023 concerning Development and Strengthening of the Financial Sector is a response to the inadequacy of OJK Law no. 21 year 2011 in preventing cases of default, marking deep reform in the supervision and regulation of Indonesia's financial sector. By expanding OJK's authority, including exclusive authority in filing bankruptcy against financial institutions, this new law targets strengthening financial system stability through proactive supervision and early intervention. These changes not only require adaptation from public companies and business actors in the financial sector but also emphasize the importance of consumer protection and cross-institutional cooperation to manage systemic risks. Overall, the P2SK Law aims to make Indonesia's financial ecosystem more resilient, increase consumer protection, and ensure the sustainability of financial institutions' operations.

Furthermore, the study highlights the broader implications for other countries with similar legal and financial systems. The challenges faced by Indonesia are similar to many emerging markets with

mixed legal systems experience similar issues of weak enforcement and reactive supervision. The findings of this research suggest that such countries can benefit from strengthening their legal frameworks to include more stringent accountability measures and enhancing the capacity of supervisory bodies to detect and prevent financial mismanagement early on. For countries with legal systems influenced by both civil law and customary law, like Indonesia, the integration of best practices from both legal traditions could offer a pathway to more effective regulation. This could involve adopting more stringent fiduciary duties for financial institutions, increasing transparency in corporate governance, and ensuring that supervisory bodies have the necessary authority and resources to act decisively in the face of potential defaults.

REFERENCES

Carroll, Archie B, *Archie B Carroll, "Principles of Business Ethics: Their Role in Decision Making and an Initial Consensus"* (Manag Decis, 1990).

Djatmiati, Tatiek Sri, *Prinsip Izin Usaha Industri di Indonesia* (UNIVERSITAS AIRLANGGA, 2004).

Greif, Avner, *Institutions and the path to the modern economy: Lessons from medieval trade* (Cambridge University Press, 2006).

Hans Kelsen, *Teori Hukum Murni: Dasar-Dasar Ilmu Hukum Normatif* (Nusamedia, 2019).

Inka et al, *Bank Capital, Liquidity Creation, Profitability, and Financial Stability: Evidence Across Countries"* (Otoritas Jasa Keuang Work Pap).

Keraf, Sonny & Robert H Imam, *Etika Bisnis* (Yogyakarta: Kanisius, 1998).

Ohlin, Jens David, Elies Van Sliedregt & Thomas Weigend, *Assessing the control-theory"* (Leiden J Int Law 725–746., 2013).

S H Muchsan, *Sistem Pengawasan Terhadap Perbuatan Aparat Pemerintah Dan Peradilan Tata Usaha Negara* (Yogyakarta: Liberty, 2007).

Situmorang, Victor M, *Aspek Hukum Pengawasan Melekat Dalam Lingkungan Aparatur Pemerintah* (1994).

Soekanto, Soerjono, *Faktor-Faktor Yang Mempengaruhi Penegakan Hukum* (2004)., *Teori Peranan* (Jakarta: Bumi Aksara, 2002).

Tai H Park, *The" Right to Control" Theory of Fraud: When Deception without Harm Becomes a Crime* (2011).

Ballester, L, A González-Urteaga & B Martinez, "The role of internal corporate governance mechanisms on default risk: A systematic review for different institutional settings" (2020) 54 Res Int Bus Financ.

Budi Permana, "Urgensi Proyek Perubahan Pada Diklat Kepemimpinan Pola Baru Di Pusat Kajian Dan Pendidikan Dan Pelatihan Aparatur I Lembaga Administrasi Negara (PKP2A I LAN)" (2018) J Wacana Kinerja Kaji Prakt Kinerja Dan Adm Pelayanan Publik 23–51.

Erlenmaier, U & H Gersbach, "Default Correlations in the Merton Model" (2014) Rev Financ 1775–1809.

Hill, J, "Legal Personhood and Liability for Flawed Corporate Cultures" (2019) Crim Law eJournal.

Johan, S & A Gunadi, "Justice Aspects of Financial Service Authorities's Competence for Bankruptcy and PKPU of Financial Service Institutions Based on Law No. 4 Year 2023." (2023) J Mercat.

Johnson, S et al, "Corporate Governance in the Asian Financial Crisis." (2000) 58 J financ econ 141–186.

Kedarya, T & A Elalouf, "Risk Management Strategies for the Banking Sector to Cope with the Emerging Challenges." (2023) Foresight STI Gov.

khadir Muhammad, Abdul, "Hukum Perusahaan Indonesia" (2010) Jakarta PT Citra Aditya Bakti.

Moka-Mubelo, Willy, "Law and Morality" in *Philos Polit - Crit Explor* (2017).

Pandey, A P, "Role Of Law Journals" (1982) 24:No. 4 J Indian Law Inst 893–96.

Saputra, R & S Emovwodo, "Indonesia as Legal Welfare State: The Policy of Indonesian National Economic Law" (2022) J Hum Rights, Cult Leg Syst.

Strudler, Alan, "Tort theory and justice" (1987) Philos Stud.

Tabak, B et al, "Financial stability and bank supervision" (2016) 18 Financ Res Lett 322–327.