The Indonesian Journal of Critical Legal Studies
ISSN Online: 3164-3531
Vol. 1 Issue 1 (2026) 177-218
Online since: April 30, 2026

THE POLITICAL ECONOMY OF CORRUPTION LAW ENFORCEMENT IN INDONESIA

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ABSTRACT

Corruption remains one of the most persistent challenges affecting governance, public trust, and economic development in Indonesia. Although extensive legal reforms and institutional mechanisms have been introduced to combat corruption, enforcement outcomes often reveal inconsistencies and political contestation. This study examines corruption law enforcement in Indonesia through a political economy and Critical Legal Studies perspective. Using a normative-critical methodology, the research analyzes the interaction between legal institutions, political interests, and economic power structures in shaping anti-corruption enforcement. The findings indicate that corruption law enforcement operates within a complex environment characterized by competing political agendas, institutional rivalries, and unequal access to power. Legal processes frequently reflect broader political and economic dynamics rather than functioning as entirely autonomous mechanisms of justice. The study demonstrates that selective enforcement, institutional dependence, and political intervention may undermine the effectiveness and legitimacy of anti-corruption initiatives. Furthermore, anti-corruption discourse often emphasizes legal compliance while overlooking structural factors that facilitate corrupt practices. From a critical legal perspective, corruption is not merely an individual legal violation but also a manifestation of broader governance and power relations. The research argues that sustainable anti-corruption reform requires strengthening institutional independence, enhancing public accountability, and addressing structural inequalities that enable the concentration of political and economic influence. The study concludes that effective corruption law enforcement depends on transforming both legal institutions and the political-economic conditions within which they operate. These findings contribute to critical legal scholarship by highlighting the interconnected relationship between law, power, and governance in contemporary Indonesia.

KEYWORDS *Corruption Law Enforcement, Political Economy, Critical Legal Studies, Governance, Institutional Accountability*

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I. INTRODUCTION

Corruption remains one of the most consequential challenges to the consolidation of democratic governance and the rule of law in Indonesia. Since the collapse of the New Order regime in 1998, Indonesia has undertaken extensive institutional and legal reforms intended to strengthen accountability, increase transparency, and reduce opportunities for abuse of public office. The establishment of the Corruption Eradication Commission (*Komisi Pemberantasan Korupsi*, KPK) in 2002 represented one of the most significant institutional responses to the problem, complemented by the enactment and amendment of anti-corruption legislation, the development of specialized investigative and prosecutorial mechanisms, and broader reforms in public administration and political institutions (Butt 2012; Lindsey 2004; Schütte 2012). These reforms generated considerable expectations that strengthening legal institutions would produce more consistent and effective corruption control.

The persistence of corruption nevertheless demonstrates the limitations of an exclusively legal-institutional understanding of the problem. Indonesia continues to experience substantial corruption risks despite the existence of an extensive anti-corruption framework. Transparency International's 2025 Corruption Perceptions Index places Indonesia at 34 out of 100 and ranks it 109th among 182 countries, indicating a substantial continuing perception of public-sector corruption (Transparency International 2026). The significance of this condition lies not simply in Indonesia's numerical position in an international index but in the broader question of why extensive legal and institutional reforms have not produced a correspondingly stable transformation in the political economy of corruption.

The conventional legal approach generally conceptualizes corruption as an unlawful exchange or abuse of public office involving identifiable perpetrators, prohibited conduct, and legally prescribed sanctions. Such an approach is indispensable for criminal accountability, but it can become analytically insufficient when corruption is persistent, politically embedded, and institutionally reproduced. Corruption may involve bribery, embezzlement, procurement manipulation, illicit political financing, conflicts of interest, trading in influence, and abuse of administrative authority. These practices, however, do not occur in an institutional vacuum. They are embedded in networks of political competition, patronage, economic interests, bureaucratic authority, and access to state resources

(Rose-Ackerman and Palifka 2016; Johnston 2005; Persson, Rothstein, and Teorell 2013).

A political economy perspective therefore asks a different question from conventional anti-corruption scholarship. Instead of asking only why individuals violate anti-corruption laws, it asks how political and economic structures create incentives, opportunities, and forms of protection for corrupt conduct. Corruption becomes analytically connected to the distribution of political resources, the organization of state institutions, the financing of electoral competition, the relationship between political elites and business interests, and the capacity of institutions to constrain powerful actors. From this perspective, corruption is not simply a deviation from an otherwise neutral institutional order. It can also emerge from the way that order distributes access to public authority and economic resources.

This perspective is particularly relevant to Indonesia's post-authoritarian political development. The transition from authoritarianism to democracy did not eliminate the networks of political and economic power that had developed during the New Order. Instead, important elements of those networks adapted to democratic institutions, decentralization, electoral competition, and market-oriented reforms (Robison and Hadiz 2004; Hadiz 2010; Winters 2013). Democratic institutions consequently became arenas in which political and economic interests could be reorganized rather than simply spaces in which previous concentrations of power disappeared. The concept of oligarchy is useful in this context because it directs attention toward the capacity of wealthy and politically connected actors to preserve or reconstruct their influence within formally democratic institutions (Winters 2013; Robison and Hadiz 2004).

The persistence of political-business networks has important consequences for corruption law enforcement. If political and economic power influences the distribution of institutional resources, appointments, policy priorities, or access to decision makers, anti-corruption agencies may face structural constraints even when their formal legal mandates are extensive. The central issue is therefore not merely whether anti-corruption laws are sufficiently severe but whether enforcement institutions possess sufficient autonomy to apply those laws to actors who possess substantial political or economic influence.

The Indonesian experience of the KPK illustrates this institutional dilemma. The KPK was established through Law No. 30 of 2002 as a specialized institution with extensive powers to investigate and prosecute corruption. Its institutional design reflected a recognition that conventional law-enforcement institutions were insufficient to address the complexity of corruption and that a specialized body with stronger investigative and prosecutorial capacity was required (Butt 2012; Schütte 2012). The official legal history confirms that Law No. 30 of 2002 constituted the original statutory foundation of the KPK, subsequently amended by Law No. 10 of 2015 and Law No. 19 of 2019.

The enactment of Law No. 19 of 2019 subsequently altered the institutional architecture of corruption enforcement. The revised law formally defines the KPK as a state institution within the executive branch while maintaining that it exercises its duties and authorities independently and free from the influence of any power. It also established a Supervisory Board (*Dewan Pengawas*) and modified several dimensions of the Commission’s institutional and investigative framework

(Indonesia 2019). The legal changes generated significant scholarly debate concerning institutional independence, accountability, and the relationship between oversight and operational autonomy. The controversy is analytically important because it demonstrates that anti-corruption law itself is not politically neutral. Institutional design determines who possesses authority to investigate, authorize, supervise, prosecute, and ultimately constrain the enforcement process.

The resulting tension provides the central problem of this article. Anti-corruption institutions are expected to enforce the law independently, yet they operate within political institutions whose actors may themselves be subject to investigation or may possess interests affected by enforcement decisions. This creates a structural problem of institutional dependence. An anti-corruption agency cannot be understood solely through the formal powers assigned to it by legislation. Its actual autonomy depends upon appointment procedures, budgetary arrangements, oversight mechanisms, inter-agency relationships, political support, organizational resources, and the broader distribution of political power.

Critical Legal Studies provides an important theoretical basis for examining this problem. Rather than treating law as an autonomous and politically neutral system of rules, Critical Legal Studies emphasizes the relationship between legal doctrine, institutional structures, and social power (Unger 1983; Kennedy 1976; Tushnet 1984). Law can constrain political power, but it can also institutionalize existing distributions of power. Legal rules concerning jurisdiction, evidence, procedure, institutional authority, and accountability therefore have distributive consequences even when they appear formally neutral.

Applied to corruption law enforcement, this perspective changes the object of analysis. The question is no longer simply whether corruption violates legal rules. The more critical question is how legal institutions determine which forms of corruption are investigated, which actors become targets of enforcement, how institutional conflicts affect investigations, and whether powerful actors possess greater capacity to resist or redirect enforcement. The concept of selective enforcement becomes particularly important in this regard. Selectivity does not necessarily mean that every enforcement decision is politically motivated. Rather, it refers to the possibility that institutional resources and enforcement priorities operate within a political environment in which actors possess unequal capacities to influence legal outcomes.

This argument also distinguishes between formal independence and substantive independence. Formal independence concerns the legal status and statutory powers of an institution. Substantive independence concerns its actual capacity to exercise those powers without improper political or economic interference. An institution may possess extensive formal authority while remaining vulnerable to political pressure through appointments, oversight, organizational restructuring, budgetary dependence, or inter-institutional conflict. The distinction is central to understanding the development of anti-corruption enforcement in Indonesia after Reformasi.

The political economy perspective complements Critical Legal Studies by explaining the material conditions under which these institutional relationships operate. Political actors require resources to compete for office, maintain political organizations, and construct electoral coalitions. Economic actors seek favorable regulatory environments, access to public contracts, licenses, concessions, and other state-mediated opportunities. Where political and economic interests become mutually dependent, corruption can operate as a mechanism through which access to state resources is exchanged for political or economic benefits (Rose-Ackerman and Palifka 2016; Johnston 2005). Such relationships may not always take the form of straightforward bribery. They can involve patronage, political donations, preferential contracting, regulatory influence, informal networks, and reciprocal exchanges of political and economic support.

The Indonesian political economy literature provides substantial evidence for examining these relationships. Robison and Hadiz argue that the post-Suharto transition did not simply dissolve the political and economic structures of the New Order but facilitated the reorganization of oligarchic power within new democratic and market institutions (Robison and Hadiz 2004). Hadiz similarly emphasizes the importance of organized political interests and local power relations in understanding the transformation of Indonesian politics after authoritarianism (Hadiz 2010). Winters conceptualizes oligarchy in terms of the political defense of concentrated wealth and argues that oligarchic actors can adapt their strategies to different political regimes (Winters 2013). These perspectives are useful because they move analysis away from the assumption that democratization automatically eliminates the structural conditions associated with elite domination.

The problem of corruption is therefore inseparable from the organization of political power. Political institutions can create opportunities for corruption not only through weak regulation but also through the high costs of political competition, discretionary control over public resources, and the capacity of political elites to influence regulatory and administrative processes. Conversely, anti-corruption institutions can become politically consequential because effective enforcement can disrupt established relationships among politicians, bureaucrats, and economic actors. Enforcement is consequently not merely a technical application of criminal law; it can become a struggle over the distribution of political and economic power.

This article builds on this insight to examine corruption law enforcement as a contested institutional process. It does not assume that all corruption cases are politically motivated or that every institutional decision reflects elite interests. Such an assumption would replace legal formalism with an equally reductive form of political determinism. Instead, the analysis examines how institutional structures create opportunities for political intervention, selective enforcement, organizational dependence, and unequal access to legal power.

The article asks: *How do political and economic power relations shape the structure, independence, and enforcement practices of Indonesia's anti-corruption legal institutions?* A related question is whether strengthening legal rules and institutional mechanisms is sufficient to produce effective corruption control when the enforcement system itself operates within unequal political and economic relations. The article makes three principal contributions. First, it contributes to the political economy of corruption by treating law enforcement institutions not simply as neutral mechanisms for implementing anti-corruption policy but as institutions embedded within broader struggles over political and economic power. Second, it extends Critical Legal Studies to the Indonesian anti-corruption context by examining how formal legal rules concerning institutional independence, jurisdiction, oversight, and enforcement can produce different effects depending on the distribution of power among political and economic actors. Third, it develops a structural conception of anti-corruption reform in which institutional independence, public accountability, and political-economic restructuring are treated as interconnected rather than separate reform agendas.

The article therefore rejects a purely individualistic conception of corruption. Individual criminal responsibility remains essential, but it cannot by itself explain the persistence of corruption across changing governments, institutions, and legal frameworks. Persistent corruption requires institutional and political explanations because corrupt practices can become embedded in organizational routines, patronage networks, political financing structures, and relationships between public and private actors (Persson, Rothstein, and Teorell 2013; Rothstein 2011). Effective enforcement must consequently address both individual violations and the structural conditions that make corruption possible and sustainable.

This study employs a normative-critical legal methodology combining doctrinal legal analysis with political economy and Critical Legal Studies. The normative dimension examines the legal framework governing corruption enforcement in Indonesia, including constitutional principles, anti-corruption legislation, institutional regulations, and relevant judicial decisions. Particular attention is given to Law No. 31 of 1999 on the Eradication of Criminal Acts of Corruption, Law No. 30 of 2002 on the KPK, and Law No. 19 of 2019 amending the KPK Law (Indonesia 1999; Indonesia 2002; Indonesia 2019). The legal analysis is not limited to determining the formal meaning of these provisions. Instead, the study examines how the distribution of legal authority established by those provisions affects institutional independence, accountability, and enforcement capacity.

The critical dimension of the methodology examines law as an institutional arrangement embedded within social, political, and economic relations. Drawing on Critical Legal Studies, the study treats legal rules as potentially constitutive of power rather than simply reflective of pre-existing social relations (Kennedy 1976; Unger 1983). The political economy component then investigates how political incentives, economic interests, patronage structures, oligarchic networks, and institutional competition interact with legal rules and enforcement practices (Robison and Hadiz 2004; Hadiz 2010; Winters 2013).

The research relies primarily on secondary scholarly literature and primary legal materials. Secondary materials include peer-reviewed articles, academic books, and established research on corruption, political economy, oligarchy, legal institutions, and Indonesian governance. Primary materials include Indonesian legislation, constitutional provisions, judicial decisions, and official institutional documents. International governance indicators and reports are used selectively as contextual evidence rather than as substitutes for legal or institutional analysis. This approach is appropriate because the objective of the study is not to measure the statistical determinants of corruption but to explain the institutional and power relations through which corruption law enforcement is structured.

The analysis proceeds through a purposive examination of three interconnected dimensions. First, it examines the political economy of corruption and the organization of political and economic power in Indonesia. Second, it analyzes the institutional architecture of corruption enforcement, focusing particularly on independence, inter-agency relations, oversight, and selective enforcement. Third, it evaluates the implications of these findings for anti-corruption reform and develops a structural framework that connects legal institutional reform with broader questions of political accountability and economic power.

The methodology consequently treats law enforcement as both a legal and political institution. This does not mean that legal rules are irrelevant or that judicial and prosecutorial decisions can be reduced to political interests. Rather, it means that the operation of legal institutions must be analyzed in relation to the political and economic environment in which those institutions function. Such an approach allows the study to identify the gap between formal legal authority and substantive institutional autonomy, which constitutes a central analytical problem in Indonesia's contemporary anti-corruption regime.

The study is primarily qualitative and analytical. It does not attempt to establish a causal statistical relationship between particular political actors and individual corruption cases. Instead, it identifies recurring institutional patterns and evaluates them through established theories of political economy, corruption, institutional accountability, and Critical Legal Studies. This limitation is deliberate: the purpose is to explain the structural conditions within which corruption enforcement occurs rather than to attribute individual criminal responsibility or political motives without case-specific evidence. This methodological position is particularly important because corruption law enforcement involves competing institutional claims. Police, prosecutors, courts, anti-corruption agencies, political institutions, and executive authorities may possess overlapping or competing interests and jurisdictions. The analysis therefore treats institutional conflict as an object of inquiry rather than automatically interpreting it as evidence of corruption. The central concern is whether the institutional design and distribution of authority create conditions under which enforcement can remain impartial, accountable, and resistant to improper political or economic influence.

II. LITERATURE REVIEW AND THEORETICAL FRAMEWORK: POLITICAL ECONOMY, CRITICAL LEGAL STUDIES, AND ANTI-CORRUPTION

The study of corruption has traditionally been dominated by approaches that conceptualize corruption as a deviation from the formal rules governing public office. Within this perspective, corruption occurs when public officials abuse entrusted authority for private benefit, and the principal institutional response is to increase monitoring, strengthen sanctions, and improve the probability of detection. Such an approach has generated important insights into the relationship between incentives, institutional design, and individual behavior. However, it becomes less satisfactory when corruption is persistent across political regimes and embedded within networks involving political actors, bureaucratic institutions, and private economic interests. In such circumstances, corruption cannot be adequately understood as a series of isolated violations. It must also be examined as a structural phenomenon produced and reproduced through political and institutional relationships.

Rose-Ackerman and Palifka conceptualize corruption broadly as the misuse of public power for private or political gain and emphasize that its causes and consequences extend beyond individual misconduct (Rose-Ackerman and Palifka 2016). Johnston similarly argues that corruption is closely connected to the organization of political competition and the distribution of power, particularly in environments where political institutions are vulnerable to capture by powerful interests (Johnston 2005). These approaches provide a foundation for moving beyond the narrow criminal-law conception of corruption toward an understanding of corruption as a phenomenon embedded within governance structures.

The distinction between individual and systemic corruption is particularly important. Conventional anti-corruption strategies often assume a principal-agent relationship in which public officials are agents who may deviate from the interests of citizens or political principals. Under this model, monitoring, transparency, punishment, and institutional oversight should reduce opportunities for corrupt behavior. Yet Persson, Rothstein, and Teorell argue that this model becomes inadequate in environments where corruption is systemic because the presumed non-corrupt principal may not exist in practice (2013). When corruption becomes widely embedded across institutions, actors may reasonably expect others to behave corruptly and may therefore perceive honest behavior as costly or irrational. Anti-corruption reform consequently becomes a collective-action problem rather than merely a problem of monitoring individual agents.

This insight is particularly relevant to Indonesia because the persistence of corruption cannot be fully explained by the absence of anti-corruption legislation. Indonesia has developed a relatively extensive legal and institutional framework for corruption control, including specialized institutions, criminal sanctions, investigative powers, asset recovery mechanisms, and judicial procedures. The persistence of corruption despite this institutional architecture suggests that the problem concerns not simply the quantity of legal rules but the political and institutional environment in which those rules are implemented.

The political economy approach provides a useful explanation for this institutional environment. Political economy focuses on the interaction between political authority and the distribution of economic resources. Applied to corruption, it examines how political actors, bureaucrats, firms, interest groups, and other organized actors interact around the allocation of state resources and regulatory authority. Corruption may emerge where political power creates access to economic rents and where economic resources can subsequently be used to maintain or expand political influence. Corruption is therefore connected to the reciprocal relationship between political and economic power rather than merely to the personal morality of individual officials.

This approach is particularly useful for analyzing Indonesia's post-authoritarian transformation. The transition from the New Order to Reformasi generated major institutional changes, including competitive elections, decentralization, strengthened legislative institutions, judicial reform, and greater political freedoms. Nevertheless, democratization did not necessarily eliminate the concentration of economic and political power that had characterized the previous regime. Robison and Hadiz argue that the post-Suharto transition involved the reorganization of oligarchic interests within new democratic institutions rather than a complete displacement of those interests (Robison and Hadiz 2004). Hadiz further emphasizes that democratization and decentralization created new arenas for political competition in which established and emerging elites could reorganize their interests (Hadiz 2010).

Winters' concept of oligarchy is especially relevant to this analysis. Rather than defining oligarchy simply as authoritarian government by a small group, Winters focuses on the political defense of concentrated wealth and the capacity of wealthy actors to use political institutions to protect their material interests (Winters 2013). This conceptualization allows corruption to be examined as part of a broader political-economic system in which control over public institutions may be strategically valuable for actors seeking to protect or expand economic resources.

The Indonesian case also demonstrates that oligarchic influence should not be reduced to direct bribery. Political-business relations may involve campaign financing, political donations, patronage, appointments, government contracts, regulatory privileges, licensing arrangements, access to natural resources, and informal networks. Some of these relationships may be legally permissible in particular circumstances, while others may constitute criminal violations. The analytical significance of political economy is therefore that it allows the researcher to examine the structural continuum between legitimate political influence, clientelism, patronage, lobbying, conflicts of interest, and criminal corruption.

Decentralization adds another dimension to this relationship. The transfer of significant political and administrative authority to subnational governments after Reformasi altered the geographical distribution of political power. Decentralization created opportunities for greater local participation and accountability, but it also created new arenas in which political elites could compete for control over public resources. Local political competition may therefore reproduce forms of patronage and rent-seeking even when formal democratic institutions are strengthened. The problem is not decentralization itself but the institutional conditions under which decentralized authority is exercised.

The literature on state capture further develops this argument. State capture refers to situations in which powerful private or political actors shape the formulation or implementation of laws, regulations, and public policies to serve particular interests. Unlike conventional administrative corruption, which involves the violation of existing rules, state capture concerns the ability to influence the rules themselves. This distinction is important because legal reform may be undermined if actors with sufficient political and economic resources can influence the institutional arrangements intended to constrain them.

From this perspective, corruption law enforcement must itself be regarded as part of the political economy of the state. The design of investigative powers, prosecutorial authority, institutional appointments, oversight mechanisms, budgetary arrangements, and inter-agency jurisdiction determines the distribution of enforcement capacity. Changes to those arrangements may therefore have distributive consequences. A reform that formally increases oversight, for example, may improve accountability under certain circumstances but may also reduce operational autonomy if oversight is controlled by actors capable of influencing investigations.

This observation provides the bridge to Critical Legal Studies (CLS). CLS emerged partly as a critique of the assumption that law operates as an autonomous and neutral system capable of producing determinate outcomes independently of social and political power. Kennedy's analysis of legal formalism demonstrates how apparently neutral legal distinctions can conceal choices concerning the distribution of social benefits and burdens (Kennedy 1976). Unger similarly challenged the assumption that legal institutions can be understood independently of broader social and political structures (Unger 1983).

The relevance of CLS to corruption law enforcement lies in its capacity to expose the relationship between legal form and institutional power. Anti-corruption law may present itself as universal, objective, and equally applicable to all individuals. Yet enforcement requires decisions concerning investigation, prosecution, evidence, jurisdiction, institutional priority, and resource allocation. These decisions occur within institutions whose personnel and organizational structures are themselves situated within political society. The formal neutrality of the law therefore does not guarantee neutrality in its institutional operation.

This does not mean that CLS requires the conclusion that law is simply an instrument of political domination. Such an interpretation would be excessively reductionist. Law can constrain political power, protect vulnerable groups, establish procedural guarantees, and provide institutional mechanisms through which powerful actors can be held accountable. The critical question is instead how law operates simultaneously as a constraint on power and as an institution embedded within power relations.

This dual character of law is particularly significant for anti-corruption institutions. An anti-corruption agency requires sufficient independence to investigate politically powerful actors. At the same time, an institution exercising substantial coercive authority requires mechanisms of accountability to prevent arbitrary or abusive conduct. Independence and accountability are therefore not necessarily opposing principles. The institutional challenge is to construct accountability mechanisms that constrain abuse without creating channels through which political actors can interfere with legitimate enforcement.

The distinction between formal independence and substantive independence is consequently central to this study. Formal independence refers to the legal provisions that establish an institution's organizational autonomy, jurisdiction, appointment procedures, budget, and authority. Substantive independence refers to the actual ability of the institution to exercise those powers without improper interference. An institution may be formally independent while remaining substantively vulnerable because its leadership depends upon politically controlled appointment processes, its budget can be manipulated, its personnel can be transferred, or its investigative activities can be constrained through institutional procedures.

The experience of the KPK illustrates this distinction. The KPK was originally designed as an independent anti-corruption agency with extensive powers intended to overcome limitations in conventional law-enforcement institutions. Scholarly analyses have emphasized that independence was central to the KPK’s institutional identity and effectiveness (Butt 2012; Schütte 2012). Law No. 19 of 2019 subsequently altered several fundamental aspects of the KPK's institutional structure, including its placement within the executive branch, the creation of the Supervisory Board, and changes concerning personnel and investigative authority (Mochtar 2021). Mochtar argues that these changes had significant implications for the independence of the KPK.

The significance of these reforms extends beyond the institutional status of the KPK. They demonstrate that the legal architecture of anti-corruption enforcement is itself politically consequential. Decisions about who supervises investigators, who authorizes particular investigative measures, how personnel are appointed, and how institutional authority is distributed determine the practical capacity of anti-corruption enforcement. Institutional design is therefore not merely administrative. It is a form of political ordering.

The literature on independent regulatory and anti-corruption agencies provides a complementary perspective. Independent agencies are generally established when conventional political institutions are considered insufficiently capable of performing particular functions impartially. Independence can protect institutions against short-term political pressures, particularly where enforcement decisions may affect powerful political actors. Yet independence also creates a democratic accountability problem because institutions insulated from ordinary political control exercise public authority without being directly accountable through electoral mechanisms.

This tension is particularly important in anti-corruption institutions because corruption enforcement is inherently political in its consequences. An investigation into a senior politician, political party, state-owned enterprise, or major business actor may have implications for elections, government stability, markets, and public policy. Consequently, the institutional autonomy necessary for impartial enforcement can itself become politically contested.

The literature on legal pluralism and institutional accountability further suggests that anti-corruption enforcement should not be understood solely through state institutions. Civil society organizations, investigative journalists, professional associations, universities, and citizens can contribute to the detection and exposure of corruption. Public accountability therefore extends beyond formal oversight bodies. Social monitoring can create information and reputational costs that supplement legal enforcement mechanisms.

Transparency and access to information are especially significant in this respect. Corruption frequently depends upon information asymmetries: decisions concerning procurement, licensing, public expenditure, appointments, and regulatory privileges may be difficult for citizens to observe. Greater transparency can therefore reduce informational advantages enjoyed by public and private actors. Yet transparency alone cannot guarantee accountability. Information becomes politically meaningful only when civil society, journalists, courts, legislatures, and enforcement agencies possess the capacity to act upon it.

This observation reinforces the collective-action perspective. If citizens believe that corruption is widespread and that reporting it will not produce meaningful consequences, individual incentives to challenge corruption may be weak. Conversely, where institutions demonstrate credible enforcement and protect whistleblowers, collective expectations can change. Anti-corruption reform therefore involves not only changing legal rules but also changing expectations concerning the behavior of political and administrative actors.

The concept of selective enforcement provides another important analytical link between political economy and Critical Legal Studies. Every enforcement institution necessarily selects cases because resources are limited. Selectivity is not therefore inherently illegitimate. The critical issue arises when enforcement patterns systematically favor or disadvantage particular categories of actors or when institutional discretion is vulnerable to political influence. Selective enforcement can undermine the legitimacy of law because citizens may perceive legal rules as instruments applied differently according to political position or economic power.

The problem becomes particularly serious when enforcement institutions themselves are involved in institutional competition. Police, prosecutors, courts, and anti-corruption agencies may possess overlapping jurisdiction or competing organizational interests. Institutional rivalry can sometimes improve accountability by creating mutual checks. However, it can also generate conflicts over authority, information, evidence, and case control. The political economy of enforcement therefore includes not only relations between enforcement agencies and political elites but also relations among enforcement institutions themselves.

This institutional dimension is important in evaluating Indonesia's anti-corruption regime. The KPK does not operate in isolation. Its investigations and prosecutions interact with the police, Attorney General's Office, courts, parliament, executive institutions, and other regulatory agencies. The effectiveness of anti-corruption law consequently depends partly upon the ability of these institutions to coordinate while preserving appropriate checks on one another. Institutional rivalry that becomes excessive can reduce enforcement capacity; excessive institutional concentration can create accountability risks.

The theoretical framework developed in this article therefore combines three analytical levels. The *first* is the micro-institutional level, which concerns individual incentives, opportunities, monitoring, and sanctions. At this level, corruption is examined through the conventional principal-agent logic and criminal-law framework. Such analysis remains necessary because corruption ultimately involves identifiable acts and actors. The *second* is the meso-institutional level, which concerns organizations and legal institutions. This includes the KPK, police, prosecutors, courts, political institutions, bureaucracies, and regulatory agencies. At this level, the analysis focuses on institutional independence, jurisdiction, accountability, resources, and organizational competition. The *third* is the macro-political-economic level, which concerns oligarchy, patronage, political financing, economic concentration, state capture, and the distribution of political power. At this level, corruption is understood as part of broader relations between political authority and economic resources.

These three levels should not be treated as competing explanations. They are interconnected. Individual corruption may be facilitated by institutional weaknesses; institutional weaknesses may be produced by political decisions; and political decisions may reflect the interests of actors possessing unequal economic resources. The resulting framework can therefore be represented as: *Political-economic power → institutional design → enforcement capacity and discretion → individual incentives and enforcement outcomes.* The reverse relationship is also possible. Successful enforcement can alter political incentives by increasing the costs of corruption, weakening patronage networks, and changing expectations concerning impunity. Anti-corruption institutions are therefore not merely passive reflections of political economy. They can also transform it.

This theoretical synthesis helps avoid two opposite analytical errors. The first is legal formalism, which assumes that the existence of anti-corruption legislation is sufficient evidence of effective anti-corruption governance. The second is political reductionism, which assumes that all legal enforcement is merely an expression of elite interests. The present study instead treats law as an institution capable of both constraining and reproducing power.

Such an approach also provides a more precise understanding of institutional reform. Strengthening anti-corruption law should not be evaluated solely by the number or severity of sanctions. Reform should be evaluated according to whether it increases the capacity of institutions to investigate powerful actors impartially, whether oversight mechanisms preserve operational autonomy, whether political and economic actors face credible constraints, and whether citizens can meaningfully monitor enforcement.

The theoretical framework therefore conceptualizes effective anti-corruption governance as requiring independence, accountability, transparency, and structural constraint on concentrated power. Independence protects enforcement from improper intervention. Accountability prevents institutional independence from becoming unaccountable authority. Transparency enables external monitoring. Structural constraints reduce the capacity of political and economic elites to convert concentrated resources into disproportionate influence over legal institutions.

This framework is particularly relevant to Indonesia because the country's anti-corruption trajectory demonstrates that legal reform and political reform cannot be treated as separate processes. Changes in the legal status and institutional design of the KPK affect the distribution of enforcement power, while broader political-economic transformations influence the incentives and pressures surrounding anti-corruption enforcement. Recent scholarship continues to identify significant concerns regarding the institutional consequences of Law No. 19 of 2019, particularly concerning independence and oversight.

The central proposition of this article is therefore that corruption law enforcement is itself a site of political-economic contestation. The effectiveness of anti-corruption law depends not only on the substantive content of criminal prohibitions but also on who controls institutional authority, who can influence legal processes, who possesses resources to resist enforcement, and how accountability mechanisms are structured. This proposition provides the conceptual foundation for the three-part analysis that follows: first, the political economy of corruption and the structure of power in Indonesia; second, institutional independence, selective enforcement, and the politics of anti-corruption law enforcement; and third, the possibility of a structural model of anti-corruption reform capable of addressing both legal and political-economic conditions.

III. THE POLITICAL ECONOMY OF CORRUPTION AND THE STRUCTURE OF POWER IN INDONESIA

Understanding corruption law enforcement in Indonesia requires an analysis of the political and economic structures within which corruption occurs. The persistence of corruption after the transition from authoritarianism to democracy cannot be adequately explained by institutional weakness alone. Indonesia's post-Reformasi political order has introduced substantial changes in electoral competition, decentralization, public accountability, and legal institutions, but these transformations have also created new arenas in which political and economic interests interact. The central problem is therefore not simply whether Indonesia has become more democratic or whether it has adopted stronger anti-corruption laws. It is how existing concentrations of political and economic power have adapted to the institutional conditions of democracy and how those adaptations affect the operation of law.

A. From Authoritarian Political Economy to Democratic Oligarchy

The political economy of corruption in contemporary Indonesia has important roots in the institutional organization of the New Order. Under Suharto, political authority was highly centralized, while economic opportunities were distributed through networks connecting state institutions, military actors, bureaucratic elites, and business interests. Political stability and economic development were pursued through an institutional arrangement in which access to state resources was closely associated with proximity to political authority. Corruption in this environment was not simply a collection of individual violations. It was embedded in the organization of political and economic power.

The authoritarian system consequently produced a political economy in which the boundaries between public authority and private economic interests were frequently blurred. Business opportunities, licenses, contracts, concessions, and access to state-controlled resources could depend upon political relationships. The concentration of political authority reduced the capacity of independent institutions to scrutinize these relationships. At the same time, economic actors who benefited from state-mediated opportunities had incentives to maintain relationships with political elites. Robison and Hadiz describe this configuration as an oligarchic political economy in which economic power and political authority became deeply interconnected (Robison and Hadiz 2004).

The fall of Suharto in 1998 fundamentally changed the institutional environment but did not automatically dismantle these underlying networks. Democratization fragmented political authority, introduced competitive elections, strengthened legislatures, and expanded opportunities for civil society participation. Yet the redistribution of formal political authority did not necessarily correspond to an equivalent redistribution of economic resources. Existing elites could adapt to new institutional conditions by entering political parties, financing electoral campaigns, supporting candidates, establishing local political networks, and transforming informal influence into formally democratic political power (Hadiz 2010; Winters 2013).

This transformation is important for understanding corruption after Reformasi. If corruption under authoritarianism was facilitated by concentrated executive power, corruption under democracy may emerge through more dispersed networks involving elected politicians, political parties, bureaucratic officials, business actors, and local elites. The institutional form changes, but the underlying relationship between political authority and access to economic resources can persist. Democratization therefore should not be understood as automatically eliminating oligarchic influence. Rather, oligarchic actors may adapt to democratic institutions. Winters conceptualizes oligarchy in terms of the political defense of concentrated wealth and emphasizes that oligarchs can employ different strategies depending on the institutional environment in which they operate (Winters 2013). In Indonesia, democratic elections created a new mechanism through which wealth could be converted into political influence.

This conversion is particularly significant because electoral competition is expensive. Candidates and political parties require financial resources for campaigns, political organization, media exposure, mobilization, and coalition-building. Where public financing is insufficient and private political financing is weakly regulated or difficult to monitor, economic resources can become an important source of political power. Political financing therefore constitutes one of the mechanisms connecting economic concentration to political influence.

The relationship between money and politics does not necessarily constitute corruption in every instance. Political donations, campaign contributions, and business participation in politics may be legitimate within a democratic system. The problem arises when financial support creates expectations of reciprocal access to public authority or when political office becomes a mechanism for obtaining private economic benefits. The boundary between legitimate political finance and corrupt exchange can therefore become institutionally difficult to police.

This is why corruption cannot be separated from the broader political economy of political competition. If political actors depend heavily upon private financial resources, they may become vulnerable to the interests of donors and economic networks. Once elected, those relationships can influence decisions concerning public procurement, licensing, taxation, natural resources, infrastructure, appointments, and regulatory policy. Corruption can therefore operate as part of an exchange relationship in which economic resources facilitate political access while political authority generates economic opportunities.

B. Decentralization and the Reorganization of Political Power

The decentralization reforms following Reformasi provide another important dimension of this transformation. Decentralization was intended to reduce excessive centralization, increase local participation, improve public services, and make government more responsive to local needs. The transfer of authority to provincial and district governments significantly changed the institutional geography of Indonesian politics.

From a governance perspective, decentralization created opportunities for greater accountability because political decision-making moved closer to citizens. Local elections also created new mechanisms through which citizens could directly influence political leadership. However, decentralization simultaneously created new centers of political and economic competition. Local governments acquired greater control over budgets, permits, public procurement, natural resources, and development projects. These resources could become objects of political competition among local elites.

Hadiz argues that decentralization did not simply produce democratic empowerment at the local level. It also provided opportunities for established political interests to reorganize themselves within local institutions (Hadiz 2010). Aspinall and Fealy similarly demonstrate that local political institutions after

Reformasi became important arenas for the formation and transformation of political coalitions and patronage networks (Aspinall and Fealy 2003).

The significance of decentralization for corruption law enforcement is therefore twofold. First, it expanded the number of institutions and political actors involved in decisions concerning public resources. Second, it complicated the task of detecting and controlling corruption because corrupt exchanges could occur through decentralized administrative and political networks rather than through a single centralized authority.

Local political competition may also increase the value of control over public resources. Political office provides access to budgets and regulatory authority, while control over public resources can strengthen political networks and increase the probability of electoral survival. This creates a feedback mechanism: *political resources → access to public office → control over public resources → patronage and economic benefits → political resources.* When this cycle becomes institutionalized, corruption can cease to be an isolated deviation and become part of the reproduction of political power. The problem is particularly acute where local political institutions have weak accountability mechanisms. Elections provide an important mechanism of political sanction, but electoral accountability may not be sufficient when voters lack information, when political competition is dominated by wealthy candidates, or when patronage networks provide material incentives for electoral support. Democratic procedures can therefore coexist with substantial informal political exchange.

C. Patronage, Clientelism, and the Distribution of Public Resources

The concepts of patronage and clientelism provide a further explanation for the relationship between political power and corruption. Patronage involves the distribution of positions, resources, or benefits in exchange for political support, while clientelism generally describes reciprocal relationships between political patrons and clients in which material benefits are exchanged for political loyalty (Aspinall and Berenschot 2019).

These relationships should not automatically be equated with criminal corruption. Patronage can exist within formally legal political practices, such as political appointments or coalition-building. The analytical problem arises when public resources are distributed according to political loyalty rather than public criteria, or when political relationships become mechanisms for circumventing legal and administrative constraints.

Aspinall and Berenschot emphasize that Indonesia's political landscape contains extensive networks of informal political exchange in which politicians rely on brokers, local elites, business actors, community leaders, and other intermediaries to mobilize support (Aspinall and Berenschot 2019). These networks are important because they reveal that political power does not operate exclusively through formal institutions. Informal relationships can shape access to public resources even when formal procedures appear transparent.

The existence of such networks creates difficulties for conventional anti-corruption law. Criminal law generally requires identifiable conduct, evidence, and a legally defined offense. Patronage networks, by contrast, may operate through diffuse and reciprocal relationships in which no single transaction clearly establishes a criminal exchange. A politician may support a business interest through regulatory decisions, for example, while receiving political support through a network of intermediaries rather than through a direct payment.

This does not make such conduct impossible to regulate. It means that effective enforcement requires an understanding of the institutional relationships through which benefits are exchanged. Financial investigation, beneficial ownership transparency, procurement monitoring, conflict-of-interest regulation, political finance disclosure, and asset tracing become important because the economic consequences of political relationships may not be visible in the formal transaction itself. The political economy perspective therefore broadens the concept of corruption risk. The relevant question is not only whether money changed hands but whether institutional authority was systematically converted into private or political advantage.

D. Political Financing and the Commodification of Political Influence

Political financing represents one of the most significant mechanisms through which economic resources can influence political institutions. Democratic elections require financial resources, but the source and use of those resources can create accountability risks. Where political parties and candidates face substantial campaign costs but have limited access to transparent public financing, they may become dependent upon wealthy individuals, businesses, or informal networks.

The resulting relationship can produce what may be described as the commodification of political influence. Political access becomes an economic resource, while economic wealth becomes a political resource. The exchange does not necessarily involve a direct purchase of public office. Instead, it may occur through long-term relationships involving campaign financing, appointments, contracts, regulatory access, and policy influence.

This dynamic is particularly important in a political system in which electoral competition is highly competitive. Candidates require resources before obtaining public authority, creating incentives to establish relationships with financiers before elections. Once in office, political actors may face pressures to provide access or favorable treatment to those networks. From a political economy perspective, this creates a structural conflict of interest. Public officials are expected to exercise authority in the public interest, while political survival may depend upon maintaining relationships with private financial supporters. Anti-corruption law can prohibit particular forms of bribery and abuse of authority, but it cannot by itself eliminate the structural dependence generated by expensive political competition.

The solution therefore requires more than criminal enforcement. It may involve stronger disclosure requirements, more effective auditing of political finance, regulation of conflicts of interest, transparency concerning beneficial ownership, and mechanisms that reduce excessive dependence upon private political financing. These measures address the political-economic conditions that generate corruption opportunities rather than merely punishing their most visible manifestations.

E. Oligarchic Adaptation and State Capture

The political economy of corruption becomes particularly significant when political-economic networks acquire sufficient influence to shape state institutions themselves. This phenomenon is commonly discussed through the concept of state capture. While conventional corruption involves violations of existing rules, state capture concerns the capacity of powerful actors to influence the formulation, interpretation, or implementation of rules.

In the Indonesian context, the concept is useful because political and economic elites may influence public decisions without necessarily engaging in direct bribery. Control over political parties, electoral financing, appointments, legislative processes, business associations, and informal networks can provide channels through which private interests influence public policy.

The distinction between corruption and capture is therefore important. A corrupt official may accept a payment in violation of established rules. A captured institution may operate according to rules that have themselves been shaped to favor particular interests. The latter problem is more difficult to address because the formal legal system may appear to be functioning normally. This distinction also has important implications for anti-corruption institutions. An agency may successfully prosecute individual cases while leaving the political-economic structures that facilitate corruption largely intact. In such circumstances, enforcement can produce visible accountability without substantially changing the underlying distribution of power. The political economy literature therefore suggests that anti-corruption strategies should address both transactional corruption and structural capture. Transactional corruption requires investigation, prosecution, sanctions, and asset recovery. Structural capture requires institutional reforms that reduce opportunities for concentrated political and economic interests to dominate public decision-making.

F. Law as an Arena of Political-Economic Competition

The preceding discussion also reinforces the Critical Legal Studies proposition that law should be understood as an institutional arena in which social interests and political power interact. Anti-corruption legislation does not merely prohibit certain conduct. It allocates investigative authority, defines institutional jurisdiction, establishes evidentiary requirements, determines oversight mechanisms, and structures relationships among enforcement institutions.

Consequently, changes to corruption law can affect political-economic power. A reform that strengthens investigative independence may increase the capacity of the state to challenge powerful networks. A reform that expands political oversight may increase accountability under some circumstances but may also create opportunities for intervention if oversight mechanisms are politically dependent. The consequences of legal reform therefore cannot be assessed solely by examining the formal text of legislation.

This is particularly important in evaluating institutional reform in Indonesia. The legal architecture of corruption enforcement has changed repeatedly since Reformasi. These changes reflect genuine efforts to improve accountability, but they also demonstrate that anti-corruption institutions operate within broader political struggles concerning the distribution of institutional authority. From a Critical Legal Studies perspective, the relevant question is therefore not whether anti-corruption law is "strong" or "weak" in the abstract. The more important question is whose capacity to exercise power is strengthened or constrained by a particular legal arrangement.

This question also explains why formal legal equality may coexist with unequal enforcement outcomes. A law may apply equally to all citizens in formal terms, but actors with greater political resources may have greater access to lawyers, information, political intermediaries, institutional influence, and public communication. Legal institutions therefore operate within unequal social environments. This does not mean that powerful actors are always able to avoid prosecution or that weaker actors are invariably targeted. Indonesia's anti-corruption record includes cases involving highly influential politicians, bureaucrats, judges, and business actors. These cases demonstrate that legal institutions can impose significant constraints on political and economic power. The critical argument is more limited: the capacity of law to constrain power depends upon institutional arrangements that protect enforcement from improper influence.

G. The Structural Reproduction of Corruption

The interaction between political financing, patronage, decentralization, oligarchic influence, and institutional weakness produces what may be described as a structural reproduction of corruption. Corruption can reproduce itself because the resources generated through corrupt or clientelist relationships can be reinvested in political competition, institutional influence, and network maintenance. The process can be represented as: e*conomic concentration → political financing and patronage → access to public authority → control over public resources → economic and political benefits → reinforcement of political-economic networks.*

This cycle does not necessarily operate through criminal conduct at every stage. Some components may be legal, informal, or difficult to classify. The significance of the model lies in demonstrating how legally heterogeneous practices can collectively produce an environment favorable to corruption.

Such structural reproduction helps explain why individual prosecutions, although necessary, may have limited transformative effects. Removing one political actor from a network does not necessarily dismantle the network itself. Other actors may replace the individual, while the institutional incentives and economic relationships remain. This observation does not diminish the importance of criminal accountability. On the contrary, credible enforcement can alter the expected costs of corruption and weaken networks by disrupting their ability to operate with impunity. But enforcement becomes more transformative when combined with institutional and political-economic reforms.

H. Implications for Corruption Law Enforcement

The political economy analysis has three principal implications for law enforcement. First, enforcement institutions require sufficient independence to investigate actors possessing significant political or economic resources. Without such independence, criminal law risks becoming unevenly applied. Independence, however, must be accompanied by transparent and accountable oversight so that institutional autonomy does not become institutional impunity.

Second, enforcement must increasingly focus on the financial and organizational structures surrounding corruption. Asset tracing, beneficial ownership information, procurement data, political finance records, and networks of related transactions can reveal relationships that are not visible through conventional examination of individual acts. The objective is to identify not only the immediate recipient of an illicit benefit but also the network through which the benefit was generated and distributed. Third, anti-corruption reform must address the political incentives that reproduce corruption. Criminal sanctions cannot fully resolve corruption when political actors face strong incentives to obtain private financing, maintain patronage networks, or exchange political access for economic support. Reform therefore requires attention to political finance, conflicts of interest, transparency, public procurement, and mechanisms of democratic accountability.

The political economy approach consequently changes the meaning of effective enforcement. Effectiveness should not be measured solely by the number of arrests, prosecutions, or convictions. Those indicators are important, but they do not necessarily demonstrate that the structures generating corruption have been weakened. A more comprehensive assessment should ask whether enforcement reduces impunity, disrupts corrupt networks, strengthens institutional autonomy, improves transparency, and changes incentives for political and economic actors.

I. From Individual Liability to Structural Accountability

The central finding of this section is that corruption in Indonesia is embedded within a political economy in which political authority and economic resources interact through formal institutions and informal networks. The transition to democracy changed the mechanisms through which power operates but did not eliminate the structural capacity of wealthy and politically connected actors to influence public institutions. Oligarchic adaptation, patronage, political financing, decentralization, and state capture therefore constitute important dimensions of the contemporary corruption problem.

This does not imply that Indonesian democracy is merely a façade or that all political institutions are captured. Such a conclusion would ignore significant democratic and institutional achievements since Reformasi. Rather, the evidence indicates that democratic institutions operate within a field of unequal resources and competing interests. Anti-corruption institutions are consequently part of that field. The implications for Critical Legal Studies are significant. Law is neither completely autonomous from power nor reducible to the interests of powerful actors. It is an institutional mechanism capable of constraining, redistributing, and reproducing power. Anti-corruption law enforcement should therefore be understood as a continuing struggle over institutional authority: who can investigate, who can supervise, who can influence appointments, who can access information, who can resist enforcement, and whose interests receive effective legal protection.

III. INSTITUTIONAL INDEPENDENCE, SELECTIVE ENFORCEMENT, AND THE POLITICS OF ANTI-CORRUPTION LAW ENFORCEMENT

If corruption is embedded within political and economic structures, the effectiveness of anti-corruption law depends fundamentally on the institutional capacity to investigate and prosecute actors who possess political, bureaucratic, or economic power. The existence of criminal prohibitions is therefore insufficient by itself. The central institutional question is whether law-enforcement agencies can exercise their authority independently, consistently, and transparently when enforcement decisions affect politically connected actors. In Indonesia, this question has become particularly significant because corruption enforcement is distributed among several institutions, including the Corruption Eradication Commission (*Komisi Pemberantasan Korupsi*, KPK), the Indonesian National Police, and the Attorney General's Office. The coexistence of these institutions creates both opportunities for institutional checks and risks of jurisdictional conflict, organizational rivalry, and political intervention.

A. The KPK and the Institutionalization of Independent Enforcement

The creation of the KPK in 2002 represented an institutional response to the perceived limitations of conventional law enforcement. The institution was designed to possess specialized investigative and prosecutorial authority and to operate independently from ordinary political and bureaucratic structures. Its establishment reflected the recognition that corruption could not be effectively addressed when the institutions responsible for enforcing the law were themselves vulnerable to political influence or organizational constraints (Butt 2012; Schütte 2012).

The institutional logic underlying the KPK was therefore closely connected to the problem identified in the previous section. If political and economic elites possess sufficient resources to influence conventional institutions, an anti-corruption body requires a degree of autonomy from those structures. Independence was consequently not simply an administrative characteristic but a substantive condition for the credibility of anti-corruption enforcement.

The KPK's early institutional development appeared to validate this model. Its investigations targeted members of the legislature, ministers, governors, mayors, judges, prosecutors, police officers, and business actors. The breadth of these investigations was significant because it demonstrated that anti-corruption law could reach actors who occupied influential positions within the political and administrative system. The KPK's institutional legitimacy was consequently linked to its ability to operate against powerful individuals rather than merely against low-level officials.

The significance of this capacity should not be understood only in terms of the number of cases prosecuted. The symbolic function of independent enforcement is equally important. When politically powerful actors become subject to the same legal processes as ordinary officials, the institution can strengthen the principle of equality before the law. Conversely, when powerful actors appear insulated from enforcement, public perceptions of legal inequality can undermine institutional legitimacy.

The literature on independent anti-corruption agencies suggests that autonomy can increase enforcement credibility, but independence is not an absolute institutional good. An agency exercising coercive authority must also remain subject to mechanisms of accountability. The challenge is therefore to construct institutional oversight without allowing oversight to become a channel for political interference. This tension is central to the Indonesian experience after the amendment of the KPK Law.

B. Law No. 19 of 2019 and the Transformation of Institutional Independence

Law No. 19 of 2019 introduced substantial changes to the legal architecture of the KPK. Among the most significant changes were the establishment of a Supervisory Board (*Dewan Pengawas*), the statutory placement of the KPK within the executive branch, changes to its employment structure, and modifications concerning investigative authority (Indonesia 2019; Mochtar 2021).

The legal consequences of these changes have generated substantial scholarly debate. Mochtar argues that the revision fundamentally altered the institutional characteristics of the KPK and weakened dimensions of the independence that had previously distinguished the Commission as an independent state agency (Mochtar 2021). His analysis is important because it identifies institutional independence as more than a matter of constitutional terminology. The practical ability of an anti-corruption institution to investigate and prosecute depends upon how authority is allocated within its organizational structure.

The establishment of the Supervisory Board illustrates the complexity of the independence-accountability relationship. Oversight can serve a legitimate constitutional purpose by preventing arbitrary use of investigative authority. Yet the institutional consequences depend upon who exercises oversight, what powers are granted to the oversight body, and how those powers interact with investigators and prosecutors.

The critical issue is therefore not whether oversight is desirable in principle. It is whether the particular design of oversight preserves the capacity of investigators to act promptly and independently. Where oversight becomes a prerequisite for sensitive investigative measures, it may alter the timing, confidentiality, and operational autonomy of enforcement. In corruption cases involving politically powerful suspects, these considerations are particularly important because investigations may depend upon secrecy and speed.

The broader significance of the 2019 reform is that it demonstrates how institutional independence can be transformed through apparently ordinary legal amendments. A statutory change concerning organizational structure can have consequences for the distribution of enforcement power. The legal architecture therefore becomes a site through which competing political interests can affect the practical capacity of anti-corruption institutions. From a Critical Legal Studies perspective, this illustrates the political significance of institutional design. Legal rules concerning appointment, oversight, jurisdiction, employment, and investigative procedure are not merely technical arrangements. They determine which actors possess authority and which actors can constrain that authority. The question of institutional independence is consequently inseparable from the broader distribution of political power.

C. Formal Independence versus Substantive Independence

The distinction between formal and substantive independence provides a useful framework for evaluating the post-2019 KPK. Formal independence concerns the legal status of an institution. It asks whether legislation expressly recognizes the institution as independent, establishes its own organizational mandate, protects its jurisdiction, and provides legal safeguards against improper interference. Substantive independence, by contrast, concerns the institution's actual capacity to exercise authority without political, bureaucratic, or economic pressure. An institution may be formally independent while remaining vulnerable through appointment mechanisms, budgetary controls, personnel arrangements, oversight structures, or informal political relationships.

This distinction is particularly relevant because Law No. 19 of 2019 contains a complex institutional formulation. The statute places the KPK within the executive branch while simultaneously providing that it is independent in carrying out its duties and authorities (Indonesia 2019). The coexistence of these provisions illustrates the difference between organizational classification and operational independence.

A critical institutional analysis must therefore move beyond the question of whether the word “independent” appears in legislation. The relevant question is whether the institutional design protects investigators and decision makers from improper intervention. This requires attention to several dimensions: leadership selection, security of tenure, budgetary autonomy, personnel management, investigative authorization, internal discipline, external oversight, inter-agency coordination, and judicial review. Independence is consequently multidimensional rather than binary. The distinction also avoids an overly simplistic interpretation of the 2019 reform. It would be inaccurate to assume that every change necessarily eliminates independence or that the KPK is incapable of exercising meaningful enforcement authority. The more defensible conclusion is that the institutional environment changed in ways that created new forms of dependence and new potential points of intervention.

D. Institutional Rivalry within the Criminal Justice System

The problem of institutional independence cannot be separated from the broader organization of Indonesia's criminal justice system. Corruption investigations may involve the KPK, police, and Attorney General's Office, each with its own organizational hierarchy, personnel, resources, institutional culture, and political relationships.

The existence of multiple enforcement agencies is not inherently problematic. In principle, institutional pluralism can generate mutual oversight and prevent excessive concentration of coercive power. Different agencies may also possess complementary expertise and resources. The problem arises when overlapping authority creates competition rather than coordination.

Recent scholarship provides particularly strong support for this argument. Pangaribuan's 2025 study in the *Asian Journal of Law and Society* examines Indonesia's criminal justice system as a case of inter-agency conflict and argues that rivalry among the police, prosecutors, and KPK reflects deeper struggles over institutional power and self-preservation (Pangaribuan 2025). The study is significant because it moves beyond procedural explanations of institutional conflict and connects organizational rivalry to broader political and patronage structures.

This institutional competition can affect corruption enforcement in several ways. Agencies may compete over jurisdiction, control of investigations, access to information, organizational prestige, and political visibility. Where one agency investigates members of another agency or politically connected actors associated with that institution, the conflict can become particularly intense.

Institutional rivalry therefore creates a paradox. Multiple enforcement agencies may theoretically strengthen the anti-corruption system through checks and balances, but excessive competition may weaken it by generating duplication, delays, jurisdictional disputes, and resistance to external scrutiny. The issue is not simply administrative inefficiency. Institutional competition can affect the substantive distribution of legal power. An agency that controls a case controls access to evidence, suspects, witnesses, investigative strategies, and public communication. Control over case management can consequently become a source of organizational power. This is why the question of jurisdiction should be analyzed politically as well as doctrinally. Legal rules establishing which agency may investigate a particular offense determine more than procedural competence. They determine which institutional interests and organizational cultures will shape the enforcement process.

E. The KPK, Police, and Prosecutorial Authority

Indonesia's anti-corruption system has historically relied upon overlapping institutional responsibilities. The KPK possesses specialized powers under its statutory framework, while the police and prosecutors retain significant authority under the general criminal justice system. This arrangement creates a structural need for coordination. The legal framework attempts to establish boundaries between the institutions, but the existence of formal boundaries does not eliminate institutional competition. Recent scholarship identifies overlapping authority and differences in interpretation as continuing sources of tension among the KPK, police, and Attorney General's Office.

The political economy of institutional rivalry becomes particularly visible when enforcement activities implicate politically sensitive actors or institutions. An investigation can affect not only the legal position of an individual suspect but also the reputation, resources, and organizational interests of the institution associated with that individual.

This produces an important distinction between institutional accountability and institutional self-protection. An institution may resist another agency because it genuinely believes that jurisdiction has been improperly exercised. Such resistance may be legitimate. However, institutional self-protection becomes problematic when organizational interests prevent legitimate investigation or create informal barriers to accountability. The critical legal question is therefore not whether institutional conflict exists. Conflict is inevitable within a plural criminal justice system. The question is whether legal and constitutional mechanisms are sufficiently robust to prevent institutional conflict from becoming an obstacle to impartial enforcement.

F. Selective Enforcement and the Distribution of Legal Risk

The concept of selective enforcement provides another important connection between institutional structure and political economy. Enforcement agencies possess limited resources and therefore cannot investigate every potential violation. Selection is inevitable. The existence of selective enforcement is not, by itself, evidence of illegality or political interference.

The problem arises when selection systematically reflects unequal political power. If powerful actors have greater capacity to influence institutions, delay proceedings, mobilize political support, shape public narratives, or obtain institutional protection, the legal system may produce unequal enforcement outcomes even while applying formally neutral rules. This concern can be conceptualized through the distinction between legal equality and capacity to engage with law. Formal equality means that the same legal rules apply to all individuals. Substantive equality requires that individuals have reasonably comparable capacity to exercise rights, defend themselves, and challenge unlawful state action.

Political and economic elites frequently possess greater resources for legal representation, political communication, institutional networking, and public relations. Such resources do not automatically produce impunity, but they can affect the environment in which legal proceedings occur. From a Critical Legal Studies perspective, this is precisely where the formal neutrality of law can obscure unequal power relations. Legal rules may be identical, but the capacity to influence their implementation is not. This does not justify the conclusion that every failure to prosecute a politically connected actor is selective enforcement. Such a conclusion would require case-specific evidence. The more defensible analytical proposition is that institutional arrangements can create structural vulnerability to selective enforcement when political and economic power can influence the allocation of enforcement resources.

G. Enforcement, Visibility, and the Politics of High-Profile Cases

High-profile corruption cases are especially important because they perform both legal and political functions. Successful prosecution of a senior politician can demonstrate institutional independence and strengthen public confidence in the rule of law. At the same time, highly visible cases can become politically contested because they affect party reputations, electoral competition, and public perceptions of government legitimacy.

This produces a difficult institutional environment. Anti-corruption agencies must communicate enough information to maintain public accountability while protecting investigations from political manipulation and information leakage. The problem is compounded by the contemporary media environment. Corruption cases increasingly unfold simultaneously in legal and public spheres. Investigations can generate competing narratives concerning guilt, political motivation, institutional bias, or persecution. Political actors may attempt to frame enforcement as either evidence of effective governance or evidence of political targeting. The legitimacy of enforcement consequently depends not only on legal outcomes but also on the credibility of institutional procedures. Transparent appointment mechanisms, clear investigative standards, judicial review, and reasoned institutional decisions can reduce perceptions that cases are selected for political reasons.

H. Institutional Independence and Democratic Accountability

A recurring objection to strong anti-corruption institutions is that independence may produce an institution with excessive power and insufficient democratic accountability. This concern cannot simply be dismissed. Criminal investigators and prosecutors possess coercive authority that can affect liberty, reputation, property, and political participation. The solution, however, is not necessarily to subordinate anti-corruption agencies to ordinary political control. If political institutions can directly control the investigation of their own members, accountability becomes structurally compromised.

The appropriate institutional objective is therefore independent but accountable enforcement. Independence should protect decisions concerning investigations and prosecutions from improper political influence. Accountability should ensure that those decisions remain subject to transparent procedures, judicial review, ethical standards, internal controls, and public scrutiny.

This distinction is essential because accountability and independence operate at different institutional levels. Accountability concerns whether an institution can justify and defend its exercise of power. Independence concerns whether another actor can improperly control that exercise of power. An effective anti-corruption regime requires both. The challenge is therefore to design oversight mechanisms that operate primarily through ex ante institutional safeguards and ex post review rather than through political control over individual investigative decisions.

I. The Political Consequences of Institutional Reform

The transformation of the KPK demonstrates that institutional reform is never purely technical. Changes to appointment procedures, supervisory structures, personnel status, investigative authority, and organizational placement alter the distribution of power within the criminal justice system.

This is particularly important because anti-corruption enforcement has distributive consequences. Effective enforcement can threaten political networks, expose illicit economic relationships, affect elections, and disrupt access to public resources. Actors who benefit from existing arrangements may therefore have incentives to support reforms that constrain enforcement capacity or increase political oversight. The concept of corruptors' collective resistance is useful here. Anti-corruption institutions frequently face resistance from actors whose interests are threatened by enforcement. Such resistance may take direct forms, such as legislative attempts to alter institutional authority, or indirect forms, such as public delegitimization, organizational restructuring, or bureaucratic resistance.

The KPK's institutional history illustrates this broader pattern. Its effectiveness generated both support and opposition. Strong enforcement against politically connected individuals strengthened its public legitimacy but also increased the political stakes surrounding the institution itself. From a political economy perspective, institutional conflict around the KPK can therefore be interpreted as a contest over the costs of accountability. The stronger the capacity of an institution to impose legal costs on powerful actors, the greater the potential incentive for those actors to influence the institution's design.

J. The Limits of Enforcement-Centered Anti-Corruption

The institutional analysis also reveals the limitations of a purely enforcement-centered conception of anti-corruption reform. Criminal prosecution is necessary because corruption requires credible sanctions. Yet prosecution operates after institutional arrangements have already created opportunities for corrupt conduct. If political financing remains opaque, procurement remains vulnerable, conflicts of interest are poorly regulated, and beneficial ownership structures remain difficult to identify, enforcement agencies will continue to confront recurring cases generated by the same structural conditions. This does not mean that legal enforcement should be replaced by preventive governance. Rather, prevention and enforcement must be integrated. KPK's own institutional reporting reflects this broader understanding. Its 2024 annual reporting emphasizes not only corruption case handling but also efforts concerning money laundering and corporate criminal liability, indicating an institutional movement toward addressing the financial and organizational dimensions of corruption.

This development is significant because sophisticated corruption often involves multiple actors and organizational structures rather than a single public official. Asset concealment, corporate vehicles, intermediaries, and financial transactions can obscure the relationship between the original corrupt act and the ultimate beneficiary. Effective enforcement therefore requires institutional capacity to follow the money rather than merely identify the immediate recipient of an illicit benefit.

K. The Rule of Law and the Credibility of Enforcement

The ultimate issue is not simply whether Indonesia possesses strong anti-corruption institutions. It is whether those institutions can generate credible and impartial legal consequences. Credibility has at least three dimensions. *First*, political actors must reasonably expect that corruption can produce legal consequences regardless of their political position. *Second*, enforcement agencies must possess sufficient autonomy to investigate powerful actors. *Third*, citizens must have confidence that legal processes are not being manipulated for political purposes.The three dimensions reinforce one another. If enforcement is perceived as politically selective, public trust declines. If public trust declines, cooperation with investigators may weaken. If cooperation weakens, enforcement capacity declines.

Conversely, credible and impartial enforcement can generate greater cooperation and strengthen institutional legitimacy.

This creates a feedback relationship: *institutional independence → credible enforcement → public trust → cooperation and legitimacy → stronger institutional capacity.* The reverse is also possible: *political interference → selective enforcement → declining legitimacy → reduced cooperation → weakened enforcement capacity.* The political economy of anti-corruption law therefore includes the production of institutional legitimacy itself.

L. Institutional Independence as a Condition of Legal Equality

The analysis suggests that institutional independence should not be understood as a privilege granted to anti-corruption agencies. It is better understood as a condition for legal equality. If enforcement institutions can be controlled by actors who are themselves potential subjects of investigation, the principle that law applies equally to all becomes institutionally fragile. Independence protects the enforcement process from such conflicts of interest.

At the same time, independence cannot mean institutional isolation. Anti-corruption agencies must remain accountable to law, courts, constitutional principles, and the public. The appropriate institutional model is therefore neither political control nor complete insulation but structured independence. Structured independence requires clear legal mandates, transparent appointments, security of tenure, professional recruitment, financial safeguards, judicial review, ethical accountability, and meaningful public oversight. It also requires clear jurisdictional rules governing relationships among the KPK, police, and prosecutors. This institutional architecture can reduce opportunities for both political interference and institutional self-protection.

M. From Institutional Rivalry to Institutional Coordination

The problem of inter-agency rivalry suggests that Indonesia's anti-corruption regime requires a stronger coordination framework. Multiple enforcement agencies can contribute to corruption control, but their responsibilities must be sufficiently clear to prevent jurisdictional disputes from undermining investigations.

Coordination should not mean hierarchical subordination of one agency to another. Rather, it should involve clear rules concerning case allocation, information sharing, investigative cooperation, evidence management, and conflict resolution. Institutional coordination is especially important where corruption cases involve multiple jurisdictions or complex financial structures. Financial crimes frequently cross administrative boundaries and require cooperation among investigators, prosecutors, financial intelligence authorities, tax authorities, customs officials, and international counterparts. The objective should therefore be to transform institutional pluralism from a source of rivalry into a system of complementary enforcement.

N. The Critical Legal Interpretation of Selective Enforcement

The preceding analysis also clarifies the contribution of Critical Legal Studies to the study of corruption enforcement. CLS does not require the conclusion that legal enforcement is inherently political or illegitimate. Its contribution is to make visible the institutional choices hidden behind formal legal neutrality.

Every enforcement system determines how resources are allocated, which institutions possess jurisdiction, which procedures must be followed, and which forms of conduct receive priority. Those decisions inevitably have distributive consequences. The critical task is therefore to identify whether those consequences systematically reinforce existing inequalities of political power.

In Indonesia, the question is particularly significant because anti-corruption enforcement can directly affect elite political and economic networks. The stronger the enforcement institution, the more significant its potential impact on the distribution of political resources. Law therefore becomes both the instrument through which corruption is punished and the institutional terrain on which political actors contest the conditions of punishment. This dual character explains why anti-corruption reform can generate paradoxical outcomes. A reform may strengthen formal accountability while weakening substantive independence. Conversely, stronger institutional independence may improve enforcement while generating legitimate concerns about oversight. The analytical challenge is not to choose one value against another but to design institutions that reconcile them.

The analysis ultimately suggests that effective corruption law enforcement should be evaluated through four institutional criteria. *First*, independence. Enforcement agencies must be protected against improper political and economic intervention. *Second*, accountability. Independent agencies must remain subject to transparent procedures, judicial review, ethical standards, and public scrutiny. *Third*, coordination. Multiple law-enforcement agencies must possess sufficiently clear jurisdictions and mechanisms for cooperation. *Fourth*, equality. Enforcement must demonstrate the capacity to reach actors regardless of political position, economic resources, or institutional affiliation.

These criteria provide a more comprehensive standard than simple prosecution statistics. A system may produce numerous convictions while remaining vulnerable to political interference. Conversely, a system with relatively few cases may nevertheless possess strong institutional safeguards. Quantitative outputs therefore need to be interpreted in relation to institutional conditions. The broader political-economic argument is that these four dimensions cannot be sustained through legal rules alone. Institutional independence depends upon political support for the rule of law; accountability depends upon an active civil society and independent judiciary; coordination depends upon institutional incentives; and equality depends upon reducing the capacity of powerful actors to influence enforcement.

O. The Institutional Paradox of Anti-Corruption Reform

The Indonesian experience reveals a fundamental paradox. The more effective an anti-corruption institution becomes in challenging powerful political and economic actors, the more politically consequential the institution itself becomes. As its capacity increases, so does the incentive of affected actors to influence its institutional design.

This produces a recurring cycle: *strong enforcement → elite exposure → political resistance → institutional contestation → reform of enforcement institutions → altered enforcement capacity.* The cycle demonstrates why anti-corruption reform cannot be understood as a linear process in which stronger laws automatically produce better outcomes. Reform occurs within an ongoing political struggle over the allocation of enforcement power. The KPK's institutional history should therefore be understood as part of a broader struggle over the boundaries between political authority and legal accountability. The controversy surrounding Law No. 19 of 2019 is significant not merely because of its technical amendments but because it illustrates how institutional architecture can alter the balance between independence and political oversight.

The principal finding of this study is that corruption law enforcement in Indonesia is shaped by the institutional distribution of legal authority. The KPK, police, and prosecutors do not operate as neutral and interchangeable instruments of the state. They are organizations with distinct institutional interests, resources, hierarchies, and relationships to political power. This does not mean that enforcement outcomes can be reduced to political interests. Professional norms, legal rules, judicial decisions, investigative evidence, and individual institutional actors continue to matter. However, these factors operate within an institutional environment that can either protect or expose enforcement to political influence. The distinction between formal and substantive independence is therefore essential. Indonesia possesses extensive legal rules governing corruption enforcement, but the existence of those rules does not by itself guarantee impartial implementation. Institutional design determines how legal authority is exercised.

The critical implication is that corruption law enforcement must be evaluated not only according to whether laws exist and whether cases are prosecuted but according to who possesses the capacity to influence enforcement decisions. This shifts the analysis from a conventional question of legal effectiveness to a political-economic question of institutional power. The central issue becomes whether the legal system can impose credible constraints on actors who possess the greatest capacity to influence the state. In this sense, anti-corruption law enforcement constitutes a test of the rule of law itself. The rule of law becomes meaningful not when the state can punish politically weak offenders, but when legal institutions possess sufficient independence and accountability to constrain politically and economically powerful actors.

The Indonesian experience therefore suggests that institutional independence is not an isolated administrative concern. It is a central component of democratic accountability and substantive legal equality. Where independence is weakened, selective enforcement becomes structurally more plausible; where inter-agency rivalry dominates coordination, enforcement capacity becomes fragmented; and where oversight becomes politically dependent, accountability may become a mechanism of intervention rather than a safeguard against abuse.

IV. TOWARD A POLITICAL-ECONOMY MODEL OF ANTI-CORRUPTION REFORM

The preceding analysis demonstrates that corruption law enforcement in Indonesia cannot be adequately evaluated through the conventional assumption that stronger criminal laws necessarily produce stronger institutional accountability. Such an assumption overlooks the political and economic conditions within which legal institutions operate. Corruption is not simply a collection of individual violations committed by public officials; it is also embedded in networks of political financing, bureaucratic patronage, business interests, institutional competition, and unequal access to state resources. This explains why Indonesia can simultaneously possess extensive anti-corruption legislation, specialized enforcement institutions, and substantial prosecutorial activity while continuing to experience persistent corruption risks. The problem is therefore partly institutional and structural. Persson, Rothstein, and Teorell argue that conventional anti-corruption strategies often fail in environments where corruption has become systemic because they conceptualize corruption as a principal-agent problem while overlooking its character as a collective-action problem (Persson, Rothstein, and Teorell 2013). Applied to Indonesia, this insight suggests that reform cannot depend exclusively on identifying and punishing individual offenders. It must also alter the institutional expectations, political incentives, and economic relationships that make corrupt exchanges sustainable. Anti-corruption law should therefore be understood not merely as an instrument of punishment but as part of a broader struggle over the organization and distribution of political power.

A political-economy approach consequently requires a shift from an enforcement-centered model toward a structural accountability model. The former measures institutional effectiveness primarily through arrests, prosecutions, convictions, and asset seizures, whereas the latter asks whether legal institutions are capable of altering the conditions that continuously reproduce corruption. This distinction is particularly important in Indonesia because the history of the KPK demonstrates that successful enforcement against powerful actors can generate political resistance against the institution itself. Butt's study of Indonesian anti-corruption law shows that the KPK's effectiveness became increasingly contested as it moved from targeting relatively conventional forms of corruption toward politically influential actors (Butt 2012). The paradox is therefore clear: an anti-corruption institution may become politically vulnerable precisely because it becomes legally effective. Mietzner similarly demonstrates that persistent corruption cannot be separated from the dysfunctional structure of political party and campaign financing, through which political actors face incentives to obtain resources outside formal funding mechanisms (Mietzner 2015). These findings indicate that institutional reform must simultaneously address the capacity of enforcement agencies and the political-economic incentives surrounding them. Without such an integrated approach, legal enforcement risks becoming a repetitive process in which individual offenders are punished while the institutional environment that generates corruption remains substantially unchanged.

The first component of structural reform is the protection of substantive institutional independence. Independence should not be reduced to the formal legal status of the KPK or any other enforcement agency. The more important question is whether investigators, prosecutors, and institutional leaders can exercise their legal authority without improper political, bureaucratic, or economic intervention. This distinction between formal and substantive independence is particularly relevant following the transformation of the KPK's institutional framework through Law No. 19 of 2019. The reform altered important dimensions of the Commission's organizational structure, including its relationship with the executive branch, the establishment of the Supervisory Board, and aspects of its personnel and investigative arrangements. Mochtar argues that these institutional changes have significant implications for the independence of the KPK because organizational design directly affects the practical capacity of an institution to exercise authority autonomously (Mochtar 2021). The critical issue is therefore not whether supervision is inherently undesirable. Oversight is necessary because anti-corruption agencies exercise significant coercive powers. The problem emerges when oversight becomes a mechanism through which politically sensitive investigations can be delayed, constrained, or influenced. A sustainable model should consequently distinguish operational independence from institutional accountability: case-related decisions must remain insulated from political intervention, while institutional conduct remains subject to judicial review, ethical standards, financial transparency, and public accountability.

Institutional independence, however, cannot be examined separately from the fragmented structure of Indonesia's criminal justice system. The existence of the KPK, police, and prosecutorial institutions creates the possibility of institutional checks and complementary expertise, but it also creates opportunities for jurisdictional rivalry and organizational self-preservation. Pangaribuan's recent analysis is particularly significant because it conceptualizes inter-agency conflict in Indonesia not merely as a procedural problem but as a struggle over institutional power. His analysis of relations among the police, prosecutors, and KPK demonstrates that institutional rivalry can be driven by organizational interests and patronage structures that extend beyond formal jurisdictional disputes (Pangaribuan 2025). This finding has an important implication for anti-corruption reform. Institutional pluralism should not automatically be equated with accountability. Multiple institutions can generate mutual checks only when their relationships are governed by clear jurisdictional rules and incentives for cooperation. Otherwise, overlapping authority may produce competition over investigations, information, institutional prestige, and political influence. The resulting fragmentation can weaken enforcement even when each organization formally possesses substantial legal powers. Reform should therefore establish mechanisms for jurisdictional coordination, information sharing, and conflict resolution without transforming coordination into political control over individual cases. The objective is to create institutional pluralism that produces accountability rather than institutional rivalry.

The second component concerns political finance, which constitutes one of the most important structural dimensions of corruption in Indonesia. Political actors require financial resources to contest elections, maintain party organizations, build electoral networks, and sustain political influence. When legitimate sources of political financing are inadequate, political actors have incentives to obtain resources through informal or illicit mechanisms. Mietzner's analysis is especially important because it challenges the assumption that political corruption is primarily caused by individual moral failure. He demonstrates that Indonesia's party and campaign financing arrangements have been structurally dysfunctional, with inadequate membership contributions, donations, and state subsidies contributing to persistent incentives for illicit fundraising (Mietzner 2015). This produces a political-economic cycle in which economic resources are converted into political influence, political influence generates access to state resources, and access to state resources can subsequently finance political activity. Criminal prosecution may interrupt individual transactions within this cycle, but it does not necessarily alter the incentives that reproduce the cycle itself. Political-finance reform should therefore become an integral part of anti-corruption policy. Stronger disclosure requirements, meaningful auditing, transparent political donations, restrictions on conflicts of interest, and institutional mechanisms for monitoring political expenditure are necessary because political finance constitutes one of the principal channels through which private economic power can be transformed into public authority.

The third component is transparency, particularly concerning public procurement, beneficial ownership, and political-economic relationships. Corruption often depends upon informational asymmetry: citizens and oversight institutions may know that public resources are being distributed, but they may not know who ultimately benefits from those transactions. Beneficial ownership structures are particularly important because formal corporate ownership does not necessarily reveal the individuals who exercise effective economic control. Transparency can therefore reduce the capacity of political and economic actors to conceal relationships that may generate conflicts of interest. Yet transparency should not be conceptualized as an end in itself. Information becomes politically meaningful only when institutions and social actors possess the capacity to interpret and act upon it. Public procurement data, corporate ownership information, political financing records, and officials' asset declarations should therefore be interoperable and sufficiently accessible to enable cross-checking. The analytical significance of transparency lies in its capacity to alter the distribution of information between powerful actors and the public. When previously hidden relationships become observable, journalists, civil society organizations, auditors, investigators, and citizens can identify patterns that may otherwise remain institutionally invisible. Transparency thus operates not simply as an administrative principle but as a mechanism for redistributing informational power and increasing the political costs associated with corrupt transactions.

Public procurement deserves particular attention because it represents a major intersection between political authority and economic opportunity. Government contracts can generate substantial private benefits, making procurement vulnerable to collusion, favoritism, bid manipulation, conflicts of interest, and politically mediated allocation of public resources. A narrow legal approach would treat these practices as individual procurement violations. A political-economy approach instead examines the networks surrounding procurement decisions: who controls the contracting authority, who owns the successful company, which firms repeatedly receive contracts, whether political relationships exist between decision makers and contractors, and whether procurement outcomes correspond with patterns of political financing. This approach is consistent with the broader argument that corruption becomes difficult to control when enforcement focuses on isolated transactions rather than institutional relationships. Transparency mechanisms can assist by creating auditable records, but digitization alone cannot eliminate political influence. Technology can document decisions; it cannot independently determine whether those decisions were politically manipulated. Effective procurement reform therefore requires integration among open contracting, beneficial ownership disclosure, financial auditing, conflict-of-interest regulation, and law enforcement. The central objective is to transform procurement from a relatively opaque administrative process into a publicly accountable allocation of state resources, thereby reducing the opportunities through which political influence can be converted into private economic advantage.

The fourth component is the strengthening of civil society, investigative journalism, and whistleblower protection. Anti-corruption institutions cannot effectively monitor every transaction or administrative decision. Information concerning corruption frequently emerges first from individuals who work inside government institutions, corporations, political organizations, or procurement networks. Whistleblowers can therefore provide information that formal oversight institutions lack. However, reporting corruption can impose substantial personal and professional risks, particularly when the accused possesses political or economic influence. Legal protection must consequently extend beyond the formal right to report wrongdoing and include safeguards against retaliation, professional discrimination, intimidation, and strategic legal harassment. Civil society performs a complementary function by transforming individual information into public accountability. Butt's analysis of Indonesian anti-corruption politics demonstrates the importance of civil society mobilization in defending the institutional capacity of the KPK and contesting political efforts to constrain it (Butt 2012). This relationship illustrates a broader Critical Legal Studies insight: accountability is not produced exclusively through formal state institutions but also through struggles over the meaning and implementation of law. Protecting civic participation therefore becomes part of anti-corruption institutional design. A legal system that formally guarantees anti-corruption rights while permitting intimidation of whistleblowers, journalists, or civil society actors remains structurally weak because the social mechanisms necessary to expose abuses are themselves vulnerable to power.

The fifth component involves constraining elite capture without confusing political influence with corruption itself. Democratic politics necessarily involves competition among interests, including interests represented by wealthy individuals and businesses. The problem arises when economic resources become sufficiently concentrated to distort public decision-making, weaken institutional independence, or secure preferential access to state resources. The Indonesian political economy has long been characterized by the interaction between oligarchic interests and political institutions, making the conversion of economic resources into political influence a central concern for anti-corruption reform (Robison and Hadiz 2004; Winters 2013). Political-finance regulation, beneficial ownership disclosure, conflict-of-interest rules, asset declarations, procurement transparency, and independent oversight should therefore be understood as interconnected mechanisms for limiting elite capture. These instruments do not seek to eliminate elite participation in politics; rather, they seek to prevent political institutions from becoming instruments for the private accumulation or protection of economic power. From a Critical Legal Studies perspective, this distinction is crucial because formally neutral legal institutions may nevertheless produce unequal outcomes when some actors possess substantially greater resources to influence their implementation. Structural accountability consequently requires examining not only whether legal rules are formally equal but also whether political and economic actors possess unequal capacities to shape the operation of those rules.

These institutional reforms must also be extended to the local level. Decentralization has expanded opportunities for democratic participation and local policy innovation, but it has simultaneously created additional sites at which political authority and economic resources can intersect. Local governments control significant administrative decisions, budgets, procurement processes, licensing arrangements, and development projects. Consequently, corruption risks cannot be addressed solely through national institutions. Local political finance, procurement, budgeting, and regulatory decisions require comparable standards of transparency and accountability. Decentralization should not automatically be interpreted as a cause of corruption, because centralization can also generate opportunities for concentrated political capture. The more important issue is whether decentralization is accompanied by effective horizontal and vertical accountability. Local governments should be subject to transparent budgeting, accessible administrative information, independent auditing, judicial oversight, and meaningful citizen participation. This is particularly important because political networks can become deeply embedded at the local level, where personal relationships and patronage may influence access to state resources. A political-economy model therefore treats decentralization as a question of institutional design: authority should be distributed in ways that increase responsiveness while simultaneously preventing local concentrations of political and economic power from becoming insulated from public scrutiny.

The reform agenda ultimately requires a redefinition of what counts as successful anti-corruption enforcement. Arrests, prosecutions, convictions, and asset recoveries remain important because credible sanctions are indispensable to the rule of law. Nevertheless, these indicators cannot capture whether an anti-corruption system is transforming the conditions that reproduce corruption. Persson, Rothstein, and Teorell's collective-action analysis suggests that reforms are unlikely to succeed when citizens and officials believe that corruption is pervasive and that others will continue to participate in corrupt practices regardless of formal rules (2013). The implication is that enforcement must generate credible expectations of institutional impartiality. Political actors must believe that corruption carries legal consequences regardless of political affiliation; bureaucrats must believe that professional integrity is institutionally protected; businesses must believe that access to public contracts does not depend upon political connections; and citizens must believe that reporting corruption will not expose them to retaliation. Performance indicators should therefore include institutional independence, transparency of political finance, procurement integrity, beneficial ownership disclosure, whistleblower protection, inter-agency coordination, judicial independence, and public confidence. These indicators measure whether the institutional environment is becoming less permissive of corruption rather than merely whether the state has produced a particular number of prosecutions.

The combined analysis suggests that Indonesia requires a model of anti-corruption governance based on structured independence, institutional accountability, political transparency, public participation, and constraints on concentrated power. Structured independence protects enforcement agencies from improper intervention; accountability prevents independent institutions from becoming unrestrained; political transparency reduces the conversion of private wealth into public authority; public participation expands the capacity to detect and contest abuse; and constraints on elite capture address the structural concentration of political-economic influence. These elements should be understood as mutually dependent rather than as separate policy reforms. An independent enforcement agency may remain ineffective if political financing generates persistent corruption incentives. Political-finance reform may remain symbolic if enforcement institutions lack independence. Transparency may produce information without consequences if civil society and investigative institutions cannot act upon it. Similarly, judicial independence is essential because the legitimacy of investigations ultimately depends upon impartial adjudication. The institutional model proposed here therefore moves beyond the conventional opposition between "strong law" and "weak law." The central issue is whether legal institutions possess sufficient capacity to constrain powerful actors while remaining sufficiently accountable to democratic society. In this sense, effective anti-corruption reform is fundamentally a project of redistributing legal and political capacity.

The normative implication is that corruption law should be reconceptualized as an instrument of structural accountability rather than merely an instrument of criminal punishment. Such reconceptualization does not weaken criminal enforcement; instead, it places enforcement within a broader institutional strategy. Investigation and prosecution remain necessary because legal rules without credible sanctions are unlikely to change behavior. Yet punishment becomes more transformative when enforcement institutions can identify the political and economic relationships surrounding corrupt transactions and use that knowledge to improve institutional design. Repeated corruption in procurement, for example, should generate regulatory learning about procurement structures; recurring political-finance violations should prompt institutional reform of campaign financing; and repeated corruption involving corporate intermediaries should generate stronger beneficial ownership and financial-tracing mechanisms. Enforcement thus becomes both punitive and diagnostic. It identifies individual violations while simultaneously revealing institutional weaknesses. This approach is particularly consistent with Critical Legal Studies because it treats law as both a mechanism of constraint and a site in which social power is organized. The objective is not simply to increase the volume of legal intervention but to ensure that legal intervention changes the institutional conditions that make corruption possible.

The broader significance of this argument lies in its understanding of the rule of law as a question of power rather than merely legality. Formal legality exists when public institutions act according to established legal rules. Substantive rule of law requires more: legal institutions must possess sufficient independence to constrain arbitrary power, sufficient accountability to prevent institutional abuse, and sufficient equality to ensure that powerful actors cannot routinely escape legal consequences. Indonesia's experience demonstrates why this distinction matters.

Extensive legal reform can coexist with persistent corruption when political-economic structures remain capable of influencing enforcement institutions. The challenge is therefore not simply to enact more stringent anti-corruption laws but to transform the institutional environment in which those laws operate. The political economy of corruption reveals that legal enforcement becomes credible only when political actors cannot easily manipulate enforcement, economic actors cannot routinely purchase access to public authority, and citizens possess meaningful mechanisms to monitor government. The proposed model consequently places institutional independence, political-finance reform, transparency, public participation, and constraints on elite capture within a single analytical framework. Such an approach shifts anti-corruption reform from the episodic punishment of offenders toward the long-term construction of institutions capable of making corruption politically costly, legally detectable, economically unattractive, and institutionally difficult to reproduce.

V. CONCLUSION

This study has argued that corruption law enforcement in Indonesia cannot be adequately understood as a problem of insufficient criminalization or weak individual compliance with legal rules. Rather, corruption is embedded in a political-economic structure in which political financing, institutional competition, bureaucratic patronage, concentrated economic resources, and unequal access to state authority interact to shape enforcement outcomes. The analysis demonstrates that the effectiveness of anti-corruption law depends substantially on the institutional conditions under which legal authority is exercised. The experience of the KPK illustrates this problem particularly clearly: institutional independence can strengthen enforcement against politically powerful actors, but precisely for that reason it can also generate political resistance and institutional contestation (Butt 2012; Mochtar 2021). At the same time, the persistence of dysfunctional political-finance arrangements demonstrates that corruption cannot be addressed exclusively through prosecution because political actors may continue to face structural incentives to obtain resources through informal networks (Mietzner 2015). These findings support the collective-action perspective advanced by Persson, Rothstein, and Teorell, which emphasizes that systemic corruption cannot be effectively addressed when formal anti-corruption institutions operate within an environment in which political actors and citizens expect corrupt practices to remain widespread (2013). The principal contribution of this study is therefore to reposition corruption law enforcement within a broader political economy of legal power: the central question is not simply whether laws exist, but whether legal institutions possess sufficient independence, accountability, and capacity to constrain actors who have disproportionate political and economic resources.

The study further concludes that sustainable anti-corruption reform requires a transition from an enforcement-centered model toward a model of structural accountability. Such a model should combine operational independence of enforcement institutions with meaningful judicial and public accountability; strengthen transparency in political financing, procurement, and beneficial ownership; protect whistleblowers, journalists, and civil society actors; improve coordination among law-enforcement institutions; and establish stronger safeguards against the conversion of concentrated economic resources into political influence. This approach is particularly important because political and economic elites do not merely operate within legal institutions; they may also possess the resources to influence the institutional design through which law is enforced (Robison and Hadiz 2004; Winters 2013). Consequently, legal reform should be evaluated not only according to the formal strength of statutory provisions but also according to their consequences for the distribution of institutional power. The theoretical implication is that Critical Legal Studies provides a useful framework for identifying the political choices embedded within apparently neutral legal arrangements, while political-economy analysis explains how those arrangements interact with material interests and institutional incentives. For Indonesia, the rule of law can become substantively meaningful only when legal institutions are capable of constraining powerful actors while remaining accountable to democratic society. Anti-corruption reform should therefore be understood as an ongoing process of institutional transformation aimed not merely at punishing corruption after it occurs, but at making corruption increasingly difficult to organize, conceal, finance, and reproduce within the political and economic structure of the state.

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Acknowledgment
The authors would like to express gratitude to Universitas Negeri Semarang, Universitas Tanjungpura, and University of Liverpool for providing the academic environment and institutional support that contributed to the preparation of this manuscript. The authors also acknowledge the contributions of scholars and researchers whose works provided the theoretical and empirical foundations for this study. Any remaining errors, limitations, or shortcomings in the manuscript are the sole responsibility of the author.

Funding Information
None

Conflicting Interest Statement
The authors declare that there are no conflicts of interest that could have influenced the research, analysis, interpretation, or presentation of the findings reported in this manuscript.

Publishing Ethical and Originality Statement
All authors declared that this work is original and has never been published in any form and in any media, nor is it under consideration for publication in any journal, and all sources cited in this work refer to the basic standards of scientific citation.

Generative AI Statement
During the preparation of this manuscript, the authors used generative artificial intelligence (AI) tools to assist with language refinement, structural organization, and preliminary drafting. The use of AI was limited to supporting the writing and editing process. The authors independently reviewed, verified, and revised all AI-assisted content and remain fully responsible for the accuracy, originality, interpretation, arguments, citations, and conclusions presented in this manuscript. No generative AI tool was used as a substitute for the authors' scholarly judgment or responsibility for the research.