

## Reconstructing the Meaning of State Losses in Corruption Crimes: A Progressive Legal Perspective

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### Abstract

Corruption has a wide impact on state finances and social order. This study discusses 1) the development of the concept of state losses in corruption cases in Indonesia and 2) its implications for law enforcement and justice. Methodology: The research method used is normative juridical with an analysis of laws and regulations, court decisions, and legal doctrine. The results of the study indicate that 1) the concept of state losses in corruption cases has undergone significant changes. Initially, state losses were defined rigidly in Articles 2 and 3 of the Corruption Law as direct financial losses. However, Constitutional Court Decision No. 25/PUU-XIV/2016 emphasized that state losses must be real, while the Attorney General's Office began to consider environmental impacts as part of state losses. 2) Decision No. 2633 K/Pid.Sus/2018 recognizes environmental damage as a form of state loss, in line with the principle of progressive justice. Therefore, an integrated audit is needed that includes financial, environmental, and social aspects in investigating corruption cases, especially in the natural resources sector. Amendments to the Corruption Law must also include an explicit definition of state losses that includes environmental damage, in order to strengthen a more comprehensive legal framework. The research purpose is to reconstruct the meaning of state losses in corruption crimes from the perspective of progressive law. The scientific contribution from this research is that it provides the latest information on the reconstruction of the meaning of state losses in corruption crimes from the perspective of progressive law.

**Keywords:** *Corruption, Progressive Legal, State Losses.*

### Introduction

Corruption give wide impact for continuity life nation and state. In addition, corruption also causes damage environment as well as to smear image government on the scene international, so that reduce trust from foreign investors (Hasan & Al-Salam, 2025). Impact This can make the country sink in crisis a long-term and growing economy trapped in poverty (Author Team, 2011). Corruption occurs in various levels, starting from village until scale national, with state losses vary, from small ones until of enormous value that is detrimental to the country (Moorthygari et al., 2025).

Conceptualization state losses continue move along current development. At first existence loss State finances or the country's economy becomes element from offense corruption the as set up in Article 2 and Article 3 of the Law Number 31 of 1999 in conjunction with Law No. Number 20 of 2001 concerning Change Eradication Action Criminal Corruption which reads : Article 2 paragraph (1): " Any person who intentionally oppose law do action enrich self Alone or someone else or a corporations that can harm State finances or State economy, punished imprisonment for a minimum of 4 (four) years and a maximum of 20 (twenty) years and a fine of at least Rp. 200,000,000.00 (two hundred million rupiah) and a maximum of Rp. 1,000,000,000.00 (one billion rupiah)".

On progress with birth Constitution Number 30 of 2014 concerning Administration Government (hereinafter referred to as called UUAP) gives rise to Conception new in understand state losses, because error administrative No is element act criminal corruption. The state losses become element act criminal corruption If there is element oppose law and abuse authority. In case existence abuse authority, a action new can classified as act criminal corruption if have implications to state losses (except For act criminal corruption bribery, gratification or extortion), the perpetrator benefited in a way

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oppose law, society No served, and deeds the is action despicable.

Element loss state finances in act criminal corruption now No Again Enough understood as potential loss (*potential loss*), but must proven in a way real as a real loss has occurs (*actual loss*). Approach This emphasize importance clarity in proof for enforcement law own a strong and unbreakable foundation nature speculative. Therefore that, concept used state losses is losses that can occur counted in a way real, based on data or fact concrete. Approach This aiming For create certainty fair and consistent law with the principle of accountability in eradication corruption.

Development meaning in the end happen Again when Decision Court Constitution Number 25/PUU-XIV/2016 was decided. Considerations Decision Court Constitution Number 25/PUU-XIV/2016 on pages 113-114 states that, the inclusion of the word " can " in Article 2 paragraph (1) and Article 3 of the Corruption Law make the offenses in both articles into formal offenses. According to the Court, in practice, this is often misused to cover many acts that are suspected of harming state finances, including policies or discretionary decisions or the implementation of the *freies Ermessen principle* that are taken urgently and for which a legal basis has not been found, so that criminalization often occurs with allegations of abuse of authority. Likewise, for policies related to business but are considered to be detrimental to state finances, then with understanding second chapter the as offense formal often charged act criminal corruption.

This matter according to writer cause decline, because as We agree together that, the impact caused by the act criminal corruption can touch various field life. Corruption is problem serious, act criminal corruption can endanger stability and security society, endangering development social economy and also endanger in a way politics, as well as can damage values democracy and morality. With existence determination state losses that must be nature *actual loss* so police and prosecutors or even the Corruption Eradication Committee is obliged For determine moreover formerly the real loss. This is naturally resulting in a long process through audits, so that the enforcement process law sometimes constrained, because perpetrator Already remove goods the proof or change it.

Besides that, to losses immaterial which was previously sheltered by the concept *potential loss*, when this becomes impossible to be implemented. For example, how many losses to society due to drug corrupted drugs, how much loss intellectual due to education funds being corrupted or how many losses environment consequence corruption in the sector mining. Changes Conception state losses caused enforcer law Good Police, prosecutors and the Corruption Eradication Committee are picking and choosing case, and oriented to cases that can proven in a way material the loss in in the form of money or assets.

Corruption is one of problem fundamental that continues gnawing system law, economics, and government in various countries, including Indonesia. Action criminal corruption No only impact on stability economy national but also damaging trust public to state institutions. In the context of law crime, corruption often measured based on draft state losses, which are one of the elements important for determine There is or whether or not act criminal However, the meaning state losses do not is static, but rather develop along with change social, economic, and views law.

In the middle This positivistic view, the Attorney General's Office took progressive steps. The Attorney General's Office (AGO) stated loss state finances due to suspicion act criminal business corruption commodity tin in the Mining Business Permit (IUP) area of PT Timah Tbk 2015-2022 reached Rp 300 trillion. Deputy Head of BPKP Field Agustina Arumsari's Investigation convey, determine magnitude loss This done his party through discussion with six experts on the environment (Chaterine & Rastika, 2024).

The Attorney General's Office does not carry out legal proceedings to act criminal environment alive, but put it together in enforcement law act criminal corruption. Muhammad Naufal Darmadi and Fanny Patricia Gultom state that, if We see part weigh from Minister of Environment Regulation No. 7/2014, regulations the is implementation from Article 90 paragraph (2) of the Law Number 32 of 2009 concerning Protection and Management Environment (PPLH Law) as amended by Law 11 of 2020 concerning Job Creation which contains right sue government in cases that give rise to loss environment. For reasons this, usage LH Regulation 7/2014 outside right sue government it is appropriate questionable. This is Because right sue always related with dispute civil so that its use in case act criminal corruption no appropriate (Darmadi & Gultom, 2023).

Lecturer at the Faculty of Law, University of Indonesia (UI) Gandjar Admiral Bonaprapta to reveal difference damage environment with state losses as set up in Article 2 and 3 of Law No. 31 of

1999 concerning Eradication Action Criminal Corruption (PTPK). According to he, the difference damage environment with this country's loss referring to loss suspicion corruption mine tin reached Rp. 271 trillion, but matter the No including state losses (Sujoni, 2024).

On the other hand, Franky Butar Butar, a lecturer at the Faculty of Law, Airlangga University, stated that in the PROCEEDINGS OF TPT XXVIII PERHAPI 2019, that Opportunity use loss environment as state losses can seen through a number of perspectives. First, from perspective of the Eradication Act Corruption, there is a number of things that can become bridge For enter loss environment to in room scope loss state finances, namely (1) losses environment the must caused by a actions that are regulated by the Law on Eradication of Corruption categorized as act criminal corruption ; and (2) justify that environment enter in coverage the wealth of the country so that loss environment become a form loss state finances (Butar, Feliciano, & Mulahele, 2019).

Meaning state losses in act criminal corruption often become debate in the realm academic and also practical. State losses in perspective classic interpreted as real and tangible losses counted in a way directly. However, the development law progressive to wish more interpretation wide to draft This includes loss potential or non - material losses, such as damage reputation of the country or the disturbance service public. This reflects the need for the law to adapt with the dynamics of an increasingly diverse society.

Principle law progressive becomes runway important in understand development meaning state losses in acts criminal corruption. Principle This focus on partisanship to justice substantive, not just justice procedural. In the context of state losses, approach progressive directing efforts to see the impacts of corruption in a more holistic manner, including the impact to welfare society and sustainability development national.

Quarrel thinking about meaning expansion state losses of course become points important thing that is interesting. This is because no just put self in concept new state losses in the case environment alive, but can ignite accountability state losses in other cases such as Education, or Health. With thus will bring out novelty or novelty view academic use help enforcement law act criminal corruption.

Based on the background description above, this study aims to examine the development of the meaning of state losses in corruption in Indonesia. This study will trace how the concept of state losses develops along with the dynamics of law and policy in eradicating corruption. In addition, this study will also examine the direction of the development of the meaning of state losses in corruption in Indonesia based on the values of Pancasila and the principle of progressive justice. Thus, the results of this study are expected to provide academic and practical contributions in strengthening law enforcement against corruption.

## **Methodology**

This study uses a normative legal research method that views law as a closed and autonomous normative system (Jiwanti & Soponyono, 2022), independent of people's behavior and ignoring norms other than legal norms (Soemitro, 1988). The research approach used in conducting the study used several types of approaches, namely *the historical approach* from the historical side and the background of the system (Marzuki, 2005). The conceptual approach is the use of meaning contained in the terms used in legislation conceptually and application in legal practice. In this study, primary legal materials, especially laws and regulations, are the main basis for analyzing the development of the meaning of state losses in corruption (Wardiono, 2019). Several regulations used include Constitutional Court Decision No. 25/PUU-XIV/2016, Decision No. 2633 K/Pid.Sus/2018, Law Number 31 of 1999 juncto Law Number 20 of 2001 concerning the Eradication of Criminal Acts of Corruption, Law Number 30 of 2014 concerning Government Administration, and Law Number 11 of 2020 concerning Job Creation. The use of this primary legal material supports the application of the legislative approach in this study (Filatova, We, Feng, Orozonova, & Kashymbekov, 2024), thus allowing for a more comprehensive analysis of the development of the concept of state losses in corruption in Indonesia (Fahmi, Azhari, Surbakti, Budiono, & Wula, 2025).

## **Discussion**

### **Concept and Legal Basis of State Losses in Corruption Crimes**

Corruption is a global problem between countries, classified as a transnational crime (Nurdjana, 2010). The impact caused by corruption can touch various areas of life. Corruption is a serious problem,

corruption can endanger the stability and security of society (Hernanda et al., 2023), endanger socio-economic development and also be politically dangerous, and can damage the values of democracy and morality because over time this act seems to become a culture (Hartanti, 2009).

Corruption in Indonesia has long been believed rampant and deep-rooted strong will bring fatal impact for society, leading to destruction from in. Like parasite that sucks finished nutrition tree, corruption in a way slowly will weaken and ultimately kill foundation social, economic, and state law. When corruption has destroyed order This until to the root, the corruptors, who have been This enjoy results looting, will also sink in destruction, because the sources they exploitation not Again available (A. Budiono et al., 2019). This is circle death, where corruption destroy source life, and in the end, corruptors That Alone will participate disappeared together with the system they have damaged (Rahardjo, 2007).

Conceptualization state losses continue move along current development. At first existence loss State finances or economy The country becomes element from offense corruption the as set up in Article 2 and Article 3 of the Law Number 31 of 1999 in conjunction with Law No. Number 20 of 2001 concerning Change Eradication Action Criminal Corruption which reads : Article 2 paragraph (1): " Any person who intentionally oppose law do action enrich self Alone or someone else or a corporations that can harm State finances or State economy, punished imprisonment for a minimum of 4 (four) years and a maximum of 20 (twenty) years and a fine of at least Rp. 200,000,000.00 (two hundred million rupiah) and a maximum of Rp. 1,000,000,000.00 (one billion rupiah)".

Likewise, Article 3: " Any person who by objective profitable self Alone or someone else or a corporation, abuse authority, opportunity or existing means to him Because position or position that can harm State finances or State economy, punished with criminal prison lifelong life or at least 1 (one) year and at most 20 (twenty) years and a fine of at least Rp. 50,000,000.00 (fifty million rupiah). million rupiah) and a maximum of Rp. 1,000,000,000.00 (one million rupiah) billion rupiah)" (Hartotok, Absori, Dimiyati, Santoso, & Budiono, 2021).

Article 2 paragraph (1) of Law No. 31/1999, concept offense formal can be concluded from the word " can " in the formula " *can " harm state finances or the country's economy*". This Then reinforced by the explanation chapter which states the word can before phrase harm finance or the country's economy shows that act criminal corruption is offense formal, namely existence act criminal corruption Enough with fulfilled elements actions that have been done formulated No with the emergence consequences (Simarmata, 2010). On the other hand, the concept state losses are also listed in Law No.1 of 2004 concerning State Treasury, Article 1 paragraph (22): " State/Regional losses are lack of money, letter valuable, and goods, which are real and certain the amount the result action oppose law Good on purpose and also negligent", "Real and definite losses to the country the amount ... " (Simarmata, 2010).

Clash between Law Law no. 31/1999 with Law No.1 of 2004 concerning The National Treasury resulted second chapter the tested in court Constitution. Based on Decision Court Constitution Number : 003/PUU-IV/2006 understanding of the word " can " in Article 2 paragraph (1) and Article 3 of the UUPTK cause the act that will be sued in front court No just Because action said " detrimental " state finances or the country's economy as a whole real " will but only " can " give rise to loss just as possibility or *potential loss*, if element action act criminal corruption fulfilled, already can submitted to front court (Absori Absori, Hernanda, Fitriciada, Wardiono, & Budiono, 2023).

State losses in corruption cases are defined in Law Number 31 of 1999 in conjunction with Law Number 20 of 2001, which considers state financial losses both real and potential. However, this provision differs from Law Number 1 of 2004 concerning State Treasury, which expressly states that state losses must be real and measurable, thus giving rise to different interpretations in its application (Yuspin, Wardiono, Nurrahman, & Budiono, 2020).

This difference gives rise to debate in legal practice, especially related to the evidence process in corruption cases, where law enforcement officers often face challenges in determining whether an action has caused state losses that can be legally accounted for. As a result, these different interpretations can have an impact on court decisions, both in terms of imposing responsibility on the defendant and in determining the extent to which an act can be categorized as a criminal act of corruption that is detrimental to state finances.

### **Interpretation and Evolution of State Losses in Corruption Cases**

On progress with birth Constitution Number 30 of 2014 concerning Administration Government

(hereinafter referred to as called UUAP) gives rise to Conception new in understand state losses, because error administrative No is element act criminal corruption. The state losses become element act criminal corruption If there is element oppose law and abuse authority. In case existence abuse authority, a new action can classified as act criminal corruption if have implications to state losses (except For act criminal corruption bribery, gratification or extortion), the perpetrator benefited in a way oppose law, society No served, and deeds the is action despicable (Izziyana et al., 2019).

Element harm state finances do not understand as estimates (*potential loss*) but must understood truly Already happen or actual loss for can applied in act criminal corruption. With thus so draft the state losses in question is state losses that can counted in a way real (A Absori, Hernanda, Fitriadi, Wardiono, & Budiono, 2023). Based on matter the so difference fundamental from state losses in concept state administration with state losses in concept act criminal corruption is as following:

**Table 1. Corruption Crime Law**

No.	Indicator	Corruption Crime Law
1.	Before UUAP	Not given clear and firm formulation what is called with loss state finance as one of the element act criminal corruption. " The losses that have been can counted the amount based on results findings competent authority or accountant designated public. " Loss state finances are caused by Because action oppose law or action abuse authority, opportunity, or the means available to a person or legal entity Because position or his position and things the done in the relationship with action enrich self Alone or someone else or a corporation.
2.	After UUAP	The element of causing harm to state finances is no longer understood as an estimate ( <i>potential loss</i> ) but must be understood as having actually occurred or being real ( <i>actual loss</i> ) in order to be applied in criminal acts of corruption.

Development meaning in the end happen Again when Decision Court Constitution Number 25/PUU-XIV/2016 was decided. Considerations Decision Court Constitution Number 25/PUU-XIV/2016 on pages 113-114 states that, the inclusion of the word " can " in Article 2 paragraph (1) and Article 3 of the Corruption Law make offense in second chapter the become offense formal. That thing according to Court in practice often misused For reach Lots alleged act harm state finances, including to policy or decision Discretion or implementation principle the first batch of freshly picked up nature urgent and not yet found runway the law, so that often happen criminalization with suspicion the occurrence abuse authority. Likewise with regard to related policies with business However viewed can harm state finances then with understanding second chapter the as offense formal often charged act criminal corruption violations (Arief Budiono, Absori, Wardiono, Yuspin, & Gulyamov, 2023).

Constitutional Court Decision Number 25/PUU-XIV/2016 also stated that, this condition can certainly cause public officials to be afraid to take a policy or worry that the policy taken will be subject to corruption, so that among other things it will have an impact on the stagnation of the state administration process, low budget absorption, and disruption of investment growth (Arief Budiono, Absori, Ngestiningrum, & Nugroho, 2018). Criminalization of policies occurs because there are differences in the meaning of the word "can" in the element of harming state finances in corruption by law enforcement officers, so that it often raises problems ranging from calculating the actual amount of state losses to which institution is authorized to calculate state losses (Wardiono et al., 2021).

Constitutional Court Decision Number 003/PUU-IV/2006 initially allowed prosecution based on potential state losses, which then created legal uncertainty in the practice of enforcing corruption crimes. This approach provides room for law enforcement officers to take action against acts that are considered to be at risk of causing state losses, even though they have not actually occurred. However, this also raises concerns about the potential for excessive criminalization, especially against officials who make risky policy decisions but are aimed at the public interest (Kamarulzaman, Ismail, Basher, & Ismail, 2025).

Along with legal developments, Law Number 30 of 2014 concerning Government Administration and Constitutional Court Decision Number 25/PUU-XIV/2016 emphasize that in corruption cases, state losses must be proven in real and measurable ways. This provision aims to provide legal certainty and protect policy makers from the threat of baseless criminalization, thus allowing room for state officials to carry out their duties without fear as long as there is no real evidence of the losses incurred.

## **Expansion of the Definition of State Losses in Corruption Cases**

Legal developments based on court decisions have a new tendency in expanding the understanding of state financial losses. Hamzah said that this could be a further step in handling corruption cases in the natural resources sector because it is related to environmental damage (Hamzah, 2012). State financial losses in natural resource corruption crimes are not only limited to losses that are directly visible, but also include the impact of large and long-term environmental damage (Hamzah, 2012).

Based on Decision Number 2633 K/ Pid.Sus /2018 the judge stated that, based on fact the trial obtained from information expert Dr. Ir. Basuki Wasis, M.Si, lecturer at the Faculty of Forestry Institute Bogor Agriculture (IPB), proven action the defendant who gave permission business mining exploration which then become operation production to PT AHB without proper procedure has result in the occurrence damage environment in a way massive on Kabaena Island. So if be noticed cost recovery consequence damage environment life the has result in losses on a large scale big for countries and regions.

Calculation loss state finances in the a quo decision does not only based on audits conducted by BPKP, but also taking into account the results of the environmental audit conducted by IPB Forestry Expert, Dr. Basuki Wasis, M.Si. Based on calculation expert, there is loss state finances in the form of damage land and environment, including cost huge recovery, consequences activity mining that occurs due to the licensing process illegal. With Thus, the a quo decision includes two types loss state finances, namely losses that are factual calculated by BPKP and losses in the form of damage environment along with cost its recovery was calculated by IPB Forestry Experts.

Based on matter said, then can concluded that, with existence Decision Court Constitution Number 25/PUU-XIV/2016 and Law Number 30 of 2014 concerning Administration Government, the element of " harmful " state finance " in act criminal corruption No Again can interpreted as estimation or potential loss (potential loss) but must in the form of loss the real thing really occurred (actual loss). However, through Decision Number 2633 K/ Pid.Sus /2018, there is expansion coverage calculation state losses with covers No only the results of the BPKP audit, but also the environmental audit, which means loss environment now under consideration as part from state losses in act criminal corruption, to emphasize importance recovery damage environment as form losses that must be accountable.

The scope of state losses is no longer limited to financial aspects alone, but has been expanded to include environmental damage, as emphasized in Supreme Court Decision No. 2633 K/Pid.Sus/2018. This decision marks an important development in corruption law, especially in the natural resources sector, by emphasizing that environmental damage due to corrupt practices must be calculated as part of state losses. In addition, this decision also underlines the importance of integrating financial and environmental audits in assessing the magnitude of the impact of corruption on the ecosystem and state finances. Thus, this approach not only provides greater protection for the environment, but also ensures that legal accountability for perpetrators of corruption in the natural resources sector is more comprehensive, covering economic and ecological aspects, as well as the recovery costs that must be borne by the responsible party.

## **The Concept of Progressive Law and Its Relevance to Corruption Cases**

The idea of progressive law initiated by Satjipto Rahardjo was born as a response to this situation. Satjipto emphasized that law must be oriented towards humans (*law for human beings*) with the aim of serving the common good, not the other way around. Progressive law rejects the approach that makes law a rigid and final institution; instead, law must be evaluated based on its effectiveness in meeting the diverse needs of society. Satjipto argued that progressive law corrects the weaknesses of modern law which is often too bureaucratic and trapped in a liberal legal pattern that tends to ignore human values. With this perspective, law does not only pursue certainty and justice, but also the welfare and happiness of society at large (Aulia, 2020).

In practice, the application of the element of "causing state financial loss" in corruption crimes still raises various problems that are contrary to the expected progressive legal concept. Article 2 and Article 3 of the Corruption Crime Law (Tipikor) regulate the element of "state financial loss" as one of the elements in corruption crimes, but there are no provisions that specifically designate the party or agency authorized to calculate and determine the amount of the loss. As a result, there is overlap and confusion about who has the right to make the calculation, which in turn causes differences in interpretation and delays in the process of resolving corruption cases.

Meaning state losses tend to nature formalistic. State losses are understood as loss real and certain that can count materially. Approach This referring to the doctrine loss state finances as set up in Constitution Number 31 of 1999 in conjunction with Constitution Number 20 of 2001 concerning Eradication Action Criminal Corruption. This aims to give clarity in proof, but often considered not enough covers dimensions social from impact corruption.

Meaning state losses in acts criminal corruption in Indonesia continues experience significant developments, especially in effort fulfil values justice progressive. Development This influenced by dynamics social, economic and political that drives law criminal for more responsive to need society. Within the framework justice progressive, law No solely functioning as tool to uphold formal rules, but also as means reach justice substantive that provides benefit real for public wide.

In progressive law, ideally, the handling of corruption cases should be more substantive and oriented towards the real impact on society. However, until now, the element of "state financial loss" in the Corruption Law still causes polemics related to the definition of actual loss and potential loss, which affects the understanding of whether corruption is a formal or material crime. Often, this ambiguity hinders the legal process and causes difficulties in executing the return of state losses. The calculation of state losses that varies and only focuses on financial aspects is also less in accordance with the values of progressive justice that emphasize multidimensional aspects, including the environment.

Constitutional Court Decision Number 25/PUU-XIV/2016 and Law Number 30 of 2014 concerning State Administration state that the element of state loss must be an actual loss, not just a potential loss. This confirms that the calculation of state financial losses must be real and occur, not just based on estimates. However, in its development, through Decision Number 2633 K/Pid.Sus/2018, the scope of state losses began to be expanded by including environmental losses as part of state losses. This means that the impact of environmental damage caused by criminal acts of corruption in the natural resources sector is now also calculated as state losses, including recovery costs.

In law progressive, state losses are not only understood as loss financial, but also includes losses of a nature social and moral. For example, in case corruption involving procurement goods and services public, impact from quality goods or bad service to public can considered as part from state losses. Understanding This give dimensions new in evaluate consequence law from action corruption.

Approach progressive to state losses in acts criminal corruption own potential For strengthen effort eradication corruption in Indonesia. With blend perspective normative and empirical, research This make an effort give contribution real in development policy more laws responsive to modern challenges. This study is also relevant in effort build framework more laws adaptive to need public.

The adjustment of the meaning of state losses to include aspects of environmental losses is closer to the principle of progressive justice proposed by Satjipto, because it takes into account the broader impact of corruption, not only the financial aspect. Through this expansion of meaning, it is hoped that the law will no longer be rigid and focused solely on bureaucracy, but will be able to reach substantive justice that takes into account the needs of society and environmental sustainability. Thus, although there are still problems in its implementation, this step can be a starting point to encourage law in Indonesia to be more progressive and effective in upholding justice and the welfare of society holistically.

In context justice progressive, state losses are not only seen from aspect finance but also in framework justice social. Value of justice progressive demand that the law capable respond impact widespread corruption, such as the disappearance trust public to state institutions or obstruction access public to service Basic. Approach This put law as instrument to reach justice more substantive wide.

One of direction important developments is effort to integrate approach restorative in Handling case corruption. Approach This put forward return state losses as priority main, which is not only covers recovery finance but also recovery trust society. In some case, apparatus enforcer law starts implementing strategies that focus on recovery state assets in general proactive, good through mechanism civil and also Work The same international.

Progressive law, as introduced by Satjipto Rahardjo, emphasizes that law must serve humanity and should not be rigidly limited by formalistic interpretations that are only oriented towards written rules. In the context of eradicating corruption, this approach emphasizes that law should not only be trapped in procedural certainty, but should prioritize substantive justice that can provide real benefits to society. Therefore, law enforcement against corruption should not only aim to punish the perpetrators, but also ensure that state assets that have been corrupted can be returned and used for the public

interest. This approach also encourages flexibility in law enforcement in order to adapt to social developments and values of justice, so that law is not only a repressive tool, but also an instrument that encourages social welfare and recovery from the negative impacts of corruption in various sectors of life.

### **Challenges in the Application of State Losses in Corruption Cases**

State losses in the context of globalization are increasingly complex because they involve cross-border financial transactions and the use of technology in money laundering from corruption. Assets obtained from corruption are often placed in other countries with more closed financial systems, making it difficult to recover state losses. Therefore, international cooperation is very important in overcoming this problem. The United Nations Convention Against Corruption (UNCAC) is a legal instrument that provides a mechanism for cooperation between countries in combating corruption and recovering corrupted assets.

The implementation of UNCAC and international cooperation mechanisms often faces obstacles, especially related to differences in legal systems between countries and national sovereignty. Several countries are still reluctant to open access to financial information or cooperate in the extradition of corruption suspects, thus hampering efforts to recover state losses. In addition, the long legal process and complicated bureaucracy often result in delays in returning assets from corruption to the country of origin. Therefore, strong legal diplomacy and regulatory harmonization are needed to accelerate international cooperation in handling corruption cases that have an impact on state losses.

The progressive approach to understanding state losses also continues to develop, not only limited to financial aspects, state losses are now starting to be calculated in other sectors such as the environment, natural resources, and social welfare. For example, in the Supreme Court Decision No. 2633 K/Pid.Sus/2018, the court emphasized that state losses due to corruption in the natural resources sector must take into account environmental recovery costs. This reflects a paradigm shift in eradicating corruption that is not only oriented towards punishing perpetrators, but also towards restoring the negative impacts caused.

However, there are challenges in harmonizing the progressive approach with the criminal law system which still tends to be formalistic. The debate over how state losses should be calculated and proven is a major issue in many corruption cases. Law enforcement officers, academics, and legal practitioners have different views regarding the use of audit methods in determining the amount of state losses. Some parties emphasize the importance of financial audits as the basis for calculations, while others argue that a broader approach, such as environmental and social audits, should be applied to ensure substantive justice.

On the other hand, the progressive approach also demands a change in the way law enforcement officers view corruption. Law enforcement should not only focus on procedural certainty, but must also consider the social and economic impacts of corruption cases. Therefore, the use of technology in law enforcement, such as data analytics and digital forensics, is becoming increasingly important in identifying and assessing the impact of state losses more accurately. With a more evidence-based approach and data analysis, the legal system is expected to be more adaptive to the development of increasingly complex corruption cases.

Until now, the element of "state financial losses" in corruption cases is still a controversial issue. The absence of an institution that is specifically authorized to calculate state losses often causes debate in the judicial process. This is further complicated by the difference in interpretation between actual and potential losses, as highlighted in the Constitutional Court Decision No. 25/PUU-XIV/2016. This difference causes inconsistency in the application of the law and slows down the process of resolving corruption cases.

Based on this, concrete steps are needed to build a more comprehensive and adaptive legal system. Legal reform that clarifies the mechanism for calculating state losses, strengthens the role of audit institutions, and increases international cooperation in asset recovery must be a priority. With a more collaborative and substantive justice-based approach, law enforcement against corruption crimes can be more effective, transparent, and oriented towards national recovery and community welfare.

### **Expansion of the Definition of State Losses in the Progressive Law Approach**

Progressive steps taken The Attorney General's Office in merge loss environment life with act



criminal corruption in commercial case tin PT Timah Tbk show approach new in enforcement law corruption. In the case of This, the Attorney General's Office expanded meaning state losses with enter loss environment as part from magnitude state losses due to suspicion corruption, which reaches around Rp. 300 trillion based on results discussion with six expert environment and investigation by the Supervisory Agency Finance and Development (BPKP). This step show more interpretation wide from Article 2 and 3 of Law No. 31 of 1999 concerning Eradication Action Criminal Corruption (PTPK), which is explicit No mention loss environment as part from state losses. However, with approach progressive, the Attorney General's Office is trying integrate impact environment in category state losses, providing expectations on implementation more justice comprehensive.

Approach This own strong foundation in Decision Number 2633 K/ Pid.Sus /2018, which was previously hinting that loss environment can considered as state losses. Decision This show that loss consequence damage environment, which during This only sued in context civil, can entered as part from state losses in case criminal corruption, so that become runway for Attorney General's Office for enter loss environment as part from state losses.

Thinking law progressive initiated by Satjipto Rahardjo supports approach holistic in enforcement law. According to Satjipto, law No should stiff and only adapt formal rules without notice the impact to society (Rahardjo, 2007). Progressive law offer perspective that law must serve to human, emphasizing the aspect justice substantive and impact real on welfare public broad (Faisal, 2010). In the context of this, approach The Attorney General's Office which included loss environment in state losses attempt for answer need will protection environment in case corruption that has an impact wide on source Power nature.

Approach The Attorney General's Office which is progressive This own meaning important in create more justice substantive, but also necessary runway more laws clear for bridge draft state losses and losses environment in case act criminal corruption. Steps to direction revision of the Corruption Law which includes loss environment in a way explicit as part from state losses will be very supportive effort enforcement progressive and holistic law this, at the same time prevent existence multi-interpretable in its implementation.

In general, conceptual, direction development meaning state losses in Indonesia according to with mark justice progressive focus on strengthening dimensions justice substantive and empowering community. Approach This No only focus on punishment criminal for the perpetrator, but also ensure that affected communities corruption can to obtain return his rights. This is in line with principle justice that places welfare public as objective main law.

With Thus, the direction development meaning state losses in Indonesia reflect need will system more laws responsive, adaptive, and justice - oriented social. Approach progressive This No only enrich discourse law, but also provides solution concrete For strengthen effort eradication corruption. This is show that dynamic and progressive law can become effective tool For create change positive in public.

The progressive justice perspective requires a broader interpretation of state losses, which not only include financial losses but also social and environmental impacts. State losses in this context must be understood as systemic consequences arising from criminal acts of corruption, both directly and indirectly. Social impacts, for example, include reduced quality of public services due to misused budgets, increased economic inequality, and decreased public trust in state institutions. Meanwhile, environmental impacts can be in the form of illegal exploitation of natural resources that causes deforestation, water pollution, or ecosystem damage that is difficult to repair in the long term.

Recent legal developments indicate a broader recognition of the dimensions of state losses beyond the financial aspect. Supreme Court Decision No. 2633 K/Pid.Sus/2018, for example, emphasizes that environmental losses due to corruption crimes in the natural resources sector must be calculated as part of state financial losses. This marks a paradigm shift in criminal law, where a formalistic approach that only focuses on financial figures is shifting to a substantive approach that considers broader impacts on society and the ecosystem. Thus, the law does not only function as a means of enforcement, but also as an instrument of recovery for the state and society that have been harmed.

This expansion of the meaning of state losses is also in line with the principle of progressive law which emphasizes that the law must be responsive to social change and new challenges in eradicating corruption. By accommodating a multidimensional perspective, corruption law is no longer

merely oriented towards punishing perpetrators, but also towards recovery and preventing wider negative impacts. Therefore, a more integrative legal approach is needed to ensure that state losses are calculated and recovered comprehensively, both through judicial mechanisms and policies that strengthen accountability in the management of public resources.

## **Conclusion**

Based on the results of the discussion above, the following conclusions can be drawn: The development of the meaning of state losses in corruption in Indonesia reflects a shift from a formal approach that only focuses on actual financial losses to a broader understanding, including environmental and social impacts. Initially, the concept of state losses in the Corruption Law Articles 2 and 3 was oriented towards potential losses as per the Constitutional Court Decision Number: 003/PUU-IV/2006. The development of state losses began to change with the Constitutional Court Decision Number 25/PUU-XIV/2016 which made state losses into actual losses, namely real losses that can be calculated directly against state finances. The Constitutional Court Decision Number 25/PUU-XIV/2016 which emphasized that state losses must be real, as well as the progressive steps of the Attorney General's Office in accommodating environmental losses as part of state losses, the scope of this definition is increasingly expanding. This expansion of meaning reflects a more comprehensive approach to eradicating corruption, where corruption is not only seen as an act that harms state finances, but also as a crime that has a systemic impact on the ecosystem and public welfare. Thus, this development confirms that efforts to enforce corruption laws must integrate broader dimensions of justice, not only in the aspect of criminalization, but also in the recovery and prevention of state losses in various forms.

The progressive legal approach to corruption requires the refinement of the concept of state losses so that it is not only limited to financial aspects, but also includes social and environmental impacts. The main challenge in its implementation is the limitations of the law which still tends to be formalistic, so that it is not fully able to handle the real impact of corruption on society. However, recent developments, such as the recognition of environmental losses in Decision Number 2633 K/Pid.Sus/2018, show positive steps towards the implementation of progressive justice. Thus, the expansion of the definition of state losses in progressive law is expected to increase the effectiveness of corruption eradication and restore public trust in state institutions.

It is suggested that the government, especially through the Attorney General's Office, the Corruption Eradication Commission (KPK), and the Supreme Audit Agency (BPK), needs to adopt an integrated audit system that covers financial, environmental, and social aspects in handling corruption cases. This is especially important in cases of corruption in the natural resources sector, where the impacts are not only financial losses, but also environmental degradation and loss of public welfare. With a more comprehensive audit, law enforcement officers can more clearly identify the extent of state losses and ensure more effective and equitable recovery.

The House of Representatives as a legislative institution has an important role in initiating regulatory changes related to corruption, especially in clarifying the elements of state losses that include loss of natural resources, environmental damage, and other ecological impacts. In the revision of the Corruption Law in the future, the House of Representatives needs to accommodate this concept so that not only financial losses are recognized, but also the broad impacts on the environment and society. Thus, law enforcement officers have a stronger legal basis in prosecuting and recovering losses due to corruption related to natural resources.

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