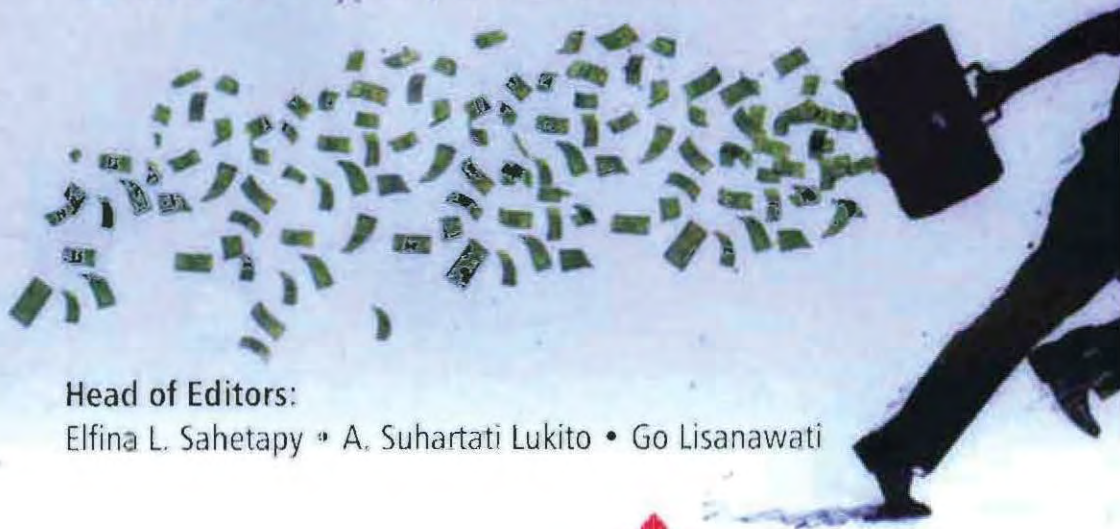


TACKLING FINANCIAL CRIMES

VARIOUS INTERNATIONAL PERSPECTIVES



Head of Editors:

Elfina L. Sahetapy • A. Suhartati Lukito • Go Lisanawati

GENTA
PUBLISHING


UBAYA
UNIVERSITAS SURABAYA
Criminal Law Department
Faculty of Law, University of Surabaya

TACKLING FINANCIAL CRIMES

VARIOUS INTERNATIONAL PERSPECTIVES

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Tackling Financial Crime
Various International Perspectives

• Criminal Law Department - Faculty of Law, University of Surabaya

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Foreword

Economy development is every country's agenda, but the developments come with challenges. Beside the wrongful acts of people who wanted to gain personal profit wrongfully, they are also legal methods or governance failure could result a crack in a system which can suppress the development itself.

Economy development comes along with the financial crime. Global development also makes country "borderless". Financial crime become the problem of all countries. It becomes every country's concern. That is why, perspectives on how to prevent and eradicate financial crime are necessity. Creating a regime that holds the agenda of financial crime prevention and eradication is very important. Thus, it is important to have academicians and practitioners ideas in a book that elaborates current issues in building the regime, including the obstacles and accomplishment.

This book divided into four chapters, each chapter composing ideas that associating criminal law to the financial crime context. The contributors from academicians shown the strong points of theoretical approach, while the legal practitioner gave their perspective of experience and theories. Chapter one discuss about criminal law principle implementation toward financial crime context, with perspectives in Indonesia and Thailand context. Chapter two is about current issues of financial crimes, with some global and local context elaboration from the contributors. Chapter three is about money laundering and the principles of criminal law implementation in some countries context, While chapter four discuss about anti-corruption regime building in Canada, Thailand and Indonesia.

I am very grateful to the contributors who gave their positive support and excellent ideas in this book. Also the support from University of Surabaya-Indonesia, United States Department of Justice-USA, Thammasat University-Thailand, which are involved in making this publication possible. I also hold dearly our colleague, one of the contributor in chapter one who recently passed away, Shinta Agustina, may she rest in peace and let this book be one of her legacy.

Last but not least, I hope this book can contribute significantly toward the regime of financial crime prevention and eradication, and can be used as a good resource for legal practitioners, academicians, and law students.

Dr. Elfina L. Sahetapy
Head of Editorial Board

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Regulation on Restriction of Cash Transaction to Prevent and to Eradicate Financial Crime

By

Peter J. Setiawan and Bernadetha Febriana

Introduction

In the last thirty years, financial crime has developed as a concern into the governments of many nations in the world. This concerns has developed from various issues and problems because the effect of various types of financial crimes in various perspectives.¹ Financial crimes is strongly connected to economy motive therefore financial crimes itself has become a threat towards the country development and economical stability, not only in one country, but also many countries. Even, financial crime is understood as a part of many forms of business and organized industry with international scope.² Therefore, financial crimes become a problem that pursue not only conventional eradication aspect but also experimental regulation based on modus development on financial crimes, global response and research from the experiences of countries which has similar problem.

There isn't any single form of financial crime. Financial crime with various type and modus has crossed its boundary from conventional to complicated and sophisticated form. The term of financial crime covers a wide range of criminal offence, which is generally international in nature.³ In more specific form, financial crimes can be considered as covering the following offences: fraud, embezzlement, money laundering, financing terrorism, corruption and bribery, tax evasion, human trafficking, drug trafficking, insider trading. Financial crimes which has so many forms is often done by using financial transaction not only by financial institution, but also non-financial institution, which is done by using cash transaction.

In terms of to the use of cash transaction itself, it turns out developed into a distinctive modus that often choose by the financial crimes criminal. Financial cash transaction which done without involving financial institution results none financial information, and easily capable of being taken from one place to another by anyone without recorded. This will cause some difficulties to the law officer to investigate the crime through financial transaction. Financial intelligence unit whom are supposedly able to help

¹ International Compliance Association, 2016, "What is Financial Crimes?", Article, <<http://www.int-comp.org/careers/a-career-in-financial-crime-prevention/what-is-financial-crime/>> viewed on 15 February 2016.

² Nicholas Ryder, 2011, *Financial Crime in The 21st Century: Law and Policy*, Edward Elgar, Cheltenham, h. 1.

³

the process of the law enforcement also find it hard to reach financial crime done through this modus. Other than the absence of information, these kind of transactions will be missed from the reporting obligation mechanism. The absence of information itself will also caused some difficulties to the law enforces to investigates towards other financial crimes that were done before. In Indonesia, many cases of financial crimes with cash transaction modus are often found in bribery case. One bribery case that revealed as a result of red-handed operation done by the Corruption Eradication Commission of Indonesia (KPK) in 31th of March 2016 can be an appropriate example that it is absolutely possible to involve financial cash transaction in a large number in financial crime.

In March 31th 2016, KPK has successfully done two operations all at once. In the first operation, KPK arrested the marketing manager of BUMN (State owned enterprise), and the other one is from private sector, in one of hotel in Jakarta, and seized cash money about 1.9 million US Dollar. This money is allegedly used for corruption done by BUMN. In terms of to the second operation, KPK arrested a member of DKI Jakarta's DPRD, a businessman and an employee of a property developer company, in one of shopping mall in Jakarta. In this operation, KPK seized 1.14 billion rupiahs also in cash. This money are allegedly going to be used by the property developer company to simplify the reclamation project in the south beach of Jakarta. Those cases explained above are a few examples among so many bribery cases involving financial cash transaction in large number in Indonesia. The use of this modus is not only possible in the form of bribery case but also possible in other forms of financial crimes, such as drug trafficking and money laundering. Therefore, based on the explanation above, this paper will examine on how the regulation on the restriction of financial cash transaction, can be used to prevent and to eradicate financial crimes.

Cash Transaction: a Distinctive Modus of Financial Crime

As explained before, financial cash transaction has become such modus that is used by some financial crime criminal. Some financial crimes in Indonesia that able to be identified often use this modus are bribery, drug trafficking and money laundering. In terms of to the bribery case in Indonesia, cash transaction is used by some of its criminal, as seen in KPK's red-handed operations results. If we pick that case in 2016, then we shall realize that from the beginning of the year until April, KPK did at least one operation each month. In January 2016, KPK did an operation in a bribery case involving a Indonesia Legislative Council member and seized 99,000 Singapore Dollar in cash forms. In the following month, KPK did an operation on the bribery case involving a Supreme Court officer and successfully seized more than 400 million of cash money. In March, as described before, KPK has done 2 operations of bribery case involving BUMN officer towards the High General Attorney of Jakarta. In terms of these 2

operation, KPK has successfully seized 148.835 US\$ or about 1.9 billion rupiah, consists of: 1487 sheets of US\$100D, a sheet of 50US\$, 3 sheets of US\$, 2 sheets of US\$ and 5 sheets of 1US\$.⁴

KPK's second operation in March 2016 done to a bribery case towards a member of Jakarta Legislative Council (DPRD DKI Jakarta), in terms of to reclamation project in the gulf of north of Jakarta. The money seized by KPK in this operation is 1.14 billion rupiah, which consists of 11.400 sheets of Rp. 100.000, 80 sheets of 100US\$. In April, KPK also done 2 operation successfully. The first operation done to a bribery case done by two General Attorney whom allegedly bribed by some people including a mayor of city.⁵ In this operation, KPK seized 913 million rupiahs in 2 different places. Meanwhile, in terms of the second operation in the same month, KPK also arrest a secretary of Central Jakarta Court as an effort to a judicial review of a private case, done by the private sector. In this operation, again, KPK seized 50 million rupiahs of cash money, and from the investigation results that 100 million rupiahs of cash money have been transferred before. But in history of KPK's red handed operation, the most amount of confiscated money remain the case involving chief of the upstream and gas regulatory of Indonesia (SKK Migas) that seized 400.000 US\$, 90.00 US\$, 127.000 US\$, 200.000 US\$.

Other form of financial crimes also involving financial cash transaction is drug trafficking. Drug trafficking cases are usually done in a network form, from the producer, the drug dealer, until the retailer. From the retailer, the large number of money will flow into the drug dealer or the producer and will result an enormous amount of money that is absolutely possible to involve financial cash transaction. In some cases in Indonesia shows such result. Let us take a look at the case of an elder woman and man who became a drug dealer in Mataram, West Nusa Tenggara. The drug dealer arrested by the Drug Commission (Badan Nasional Narkotika Provinsi) in December 2014. According to their statement, they deposited approximately 130 million rupiahs every week to the bigger drug dealer. This deposit may be possibly done in cash transaction as during the BNNP operation, they seized approximately a hundred million rupiahs.⁶ The illustration of huge amount of cash money that received by a big drug dealer can be proved in the case that captured in Duri City, Riau Province. In that case, Drug Commission arrested a major drug dealer and seized 1.3 billion rupiahs in cash.⁷

⁴ "KPK segera Tetapkan Tersangka Suap PT. Brantas Abipraya", Article, <<http://www.cnnindonesia.com/nasional/20160406001049-12-121978/kpk-segera-tetapkan-tersangka-suap-pt-brantas-abipraya>> viewed on 18 February 2016.

⁵ "KPK Sita Barang Bukti Suap Rp. 913 Juta", Article, <<http://www.tribunnews.com/video/view/1954/kpk-sita-barang-bukti-uang-tunai-rp-913-juta-tribunnewscom>>, viewed on 18 February 2016.

⁶ "Omzet Kakek Nenek Bandar Narkoba Capai 130 Juta Per Minggu", Article, <<http://regional.kompas.com/read/2014/12/19/1838455/Omzet.Kakek.Nenek.Bandar.Narkoba.Capai.Rp.130.Juta.Per.Minggu>>, viewed on 19 February 2016.

⁷ "BNN Ringkus Ahok Bandar Narkoba Kota Duri", Article, <<http://www.antaranews.com/berita/542860/bnn-ringkus-ahok-bandar-narkoba-kota-duri>>, viewed on 19 February 2016.

The following crime which obviously involving the use of cash transaction modus is money laundering. The use of cash transaction in money laundering become a new modus that is developing in Indonesia nowadays.⁸ The use of this modus is the simplest effort to avoid the banking financial control system and the control mechanism from Indonesian Financial Transaction Report and Analysis Centre (PPATK) as money laundering eradication authority in Indonesia. The use of cash transaction modus can also be collaborated with process of covertion to foreign currency that have high rate exchange or transfer of cash money in foreign country. The real case that makes this modus a concern of the government as a modus of money laundering occurred in Batam, Riau. A perpetrator of corruption and money laundering successfully carry cash money of approximately 800 million to a billion rupiahs as result of illegal sales of Fuels from Singapore to Batam almost everyday. The fuels was obtained from illegal taking gradually from the ships of Pertamina (an Indonesian *state-owned* oil and natural gas corporation). The money then deposited to some bank account of foreign currency and transferred to some parties as an action of money laundering.⁹

Three types of financial crimes examined above, including some of its concrete cases show that the use of cash transaction in some financial crimes has developed as a distinctive pattern to avoid and to cheat the mechanism provided by the financial institution and the law enforcement. This pattern will be more definitely visible if we pay attention to the facts based on the data collected by the Indonesian Financial Transaction Report and Analysis Centre (INTRAC/PPATK). The data provided by this institution that related to the obligation on reporting of large number of financial cash transaction, at the most minimum number 500 million rupiahs in the last 11 year, has reach 2 million trillion rupiahs by the corporation and 92 thousands trillion by persons. 163.603 corporation and 599.940 persons did these transactions. The reports obligation is only report of cash transaction that involves financial institution or designated non-financial businesses.

Cash transaction reaching 500 million rupiahs and above are absolutely the kind of unusual or suspicious transaction. The Head of PPATK, Muhammad Yusuf, assure that those transaction are strongly have many motives of crime, particularly money laundering. Not only that, but also this transaction is also indicated from bribery, gratification to fraud. In terms of the corporation operational, the use of cash money in large number is absolutely not in accordance with the good corporation financial management unless there is financial crime involved. Nowadays, the more complex pattern arises to disguise proceed of crime by building a fictitious

⁸ "Ini Dia Tiga Modus Baru Tindak Pidana Pencucian Uang", Article, <<http://www.gresnews.com/berita/hukum/18041-ini-dia-tiga-modus-baru-tindak-pidana-pencucian-uang/0/>>, viewed on 19 February 2016.

⁹ "Cara Niwen Menggoreng Uang Haram Abob", Article, <<http://www.tribunnews.com/nasional/2014/09/08/cara-niwen-menggoreng-uang-haram-abob-bemuansa-mafia>> viewed on 19 February 2016.

enterprises or corporations. Proceed of crime will be managed as if it's a part of the corporation profits. This is related to PPATK database that shows the amount of financial cash money from individual account decreased into 1.792 trillion, while from the corporation bank account increased into 2.859 trillion. The cash transaction from the corporation account has significantly increased from 131 trillion rupiah in 2012.¹⁰

Regulation on Restriction of Cash Transaction to Prevent And to Eradicate Financial Crime

As explained before, that the main purpose of a person committing a financial crime through cash transaction modus is to avoid and deceive the mechanism from the financial institution and the law enforcement, especially banking system, which has applying such prevention and eradication towards money laundering system. The restriction on cash transaction will minimize the efforts and strategies on committing such crimes. This restriction can be applied at the time as a prevention aspect and eradication aspect of the financial crime itself. As prevention, this restriction will hold up the criminal to commit the crime from the beginning, because it will be difficult for the criminal to carry or to transfer the huge cash of money whether for the crime itself or the money as proceeds of the crime that will be another crimes object.

This restriction will have force power so the people will use the only non-cash instrument instead of using cash money if they want to do such large number of transaction, such as: bank transfer, check, card payment and et cetera. Identification, verification and control system (know your customer, customer due diligence, or enhanced due diligent principle) that has been applied including the reporting obligation mechanism by the financial institution under the supervision of Regulator and Supervisor Institution (Lembaga Pengawas dan Pengatur) and also PPATK as regulated in Law of The Republic of Indonesia Number 8 Year 2010 regarding on the Prevention and Eradication of Money Laundering (*Undang-Undang Republik Indonesia Nomor 8 Tahun 2010 tentang Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang*), will make the people who are willing to commit the crime think twice or even call off their intention. Therefore, the regulation on restriction of cash transaction will minimalize the intention and the plan of people who wants to commit such financial crimes in cash transaction modus.

In eradication aspect, the regulation on restriction of cash transaction will simplify the effort of the law enforcement officer in doing their investigation towards the crime. The understanding towards this matter has to be started by the idea that the non-cash financial instrument through the financial institution, especially banking system has to give such certainty on the record of the transaction in detail, including the sources and the

¹⁰ "Lebih Dahsyat dari Panama Papers", Article, <http://bisniskuangan.kompas.com/read/2016/04/06/185841726/Lebih.Dahsyat.dari.Panama.Paper>, viewed on 20 February 2016.

movements. The certainty on the records will be one of the main keys for the financial intelligence unit such as PPATK in performing their authority in helping the law officer to expose many cases of financial crimes. As we all understand that intelligence unit with administrative model such as PPATK has supportive function towards the law officer. Its different model from the intelligence unit with the police model, judicial model or joint model.¹¹

In the context of prosecution, that means the authority and the task of PPATK stands in the scope of analysis or examine the data and information of transactions which are indicated as crime or part of a crime without authority to investigate the alleged perpetrators or determine someone to be suspect. These data and information that analyzed by using forensic accounting principle will later be a start evidence to be forwarded and to be rated by the law officer who authority to investigate the alleged perpetrators such as Police Department, KPK, BNN and so on. The law of anti money laundering itself has guarantee that PPATK can entirely implement their authority without crashing the law, regulation or ethic code that related to bank confidentiality or other confidentiality rule.¹² This PPATK's authority has affirmed that without the certainty record of the transaction, the financial intelligence unit cannot implement their authority to help the law officer to expose financial crime cases. The person who commits financial crimes through cash transaction understands this condition. Those who commits such crimes through this modus understand that their transaction will not be recorded and also easily of being taken from one place to another by anyone. This matter will be so much more rational as we know that they not only using domestic currency but also foreign currency with high exchange rate. The criminal must have thought with the same number of money they can easily carry and transfer less physical money.

In another word, the people who commits the crime will utilize the weakness of PPATK's working system known as the follow the money trial. The trial is known globally as an effort to advance the searching and investigating process towards the proceed of crime, than follow the suspect mechanism. The starting point of this trial in the context of the anti money laundering and counter financing terrorism regimes (AML/CFT) is the idea that the proceed of crime is the life blood of the crime. This matter means the proceed of crime are the blood that keep the crime alive, and the weakness point simultaneously from the chain of the crime that are the easiest way

¹¹ In relation to many forms of Financial Intelligent Unit (FIU) in international practice are known 4 types, such as: police model which are under the police institution; judicial model which are under the attorney institution, joint model which are under the combination of police institution and attorney institution; and administrative model which are FIU as independent institution which are under the government or central bank. The first, second and the third type of FIU has direct investigation function to suspect or perpetrators, in the other hand, the administrative model has no direct investigation function, quoted from William C Gilmore, *Dirty Money: The Evolution of Money Laundering Countermeasures*, Council of Europe Publishing, Belgium, 1999, page 72.

¹² See Article 45 and its Elucidation, Law of Republic of Indonesia Number 8 Year 2010.

to be detected from transaction data. The effort on cutting the chain of the crime is not only easy to be implemented but also will erase the motive of the criminal to do the following crime because the purpose of the people who commits the crime to savour the proceeds of the crime will be difficult or thwarted. In relation to the eradication towards another financial crimes which involve money such as bribery and drug trafficking can use the same trial. By investigating the traffic of the data transaction movement, they can find who has the role as the dealer and who has the role as the retailer. Another form as a contradiction towards the follow the money trial is follow the suspect trial which is done by investigate the suspect directly.

Follow the suspect trial will be the most possible way in case the follow the money trial does not work as consequences on absence of transaction data to be analyzed. Some mechanisms that can be implemented are red handed operation and surveillance as done by KPK. If we make a comparison toward thosetrial, follow the money trial with all of its advantages must be the main stream of law enforcement towards financial crime. This trial have the emphasizing in the forfeiture on proceed of crime that will be reduce and dismiss the crime motivation. This trial easily reach more criminals that committed to the one crime, so it's seems more fair. This trial can also be done silent operations so it's easy to be performed. Other than that, follow the money trial has less negative risk compares to other trial because this trial does not directly faces the suspect who commonly having potential resist to the law enforcement, such as running away during investigation or trial process, or hiding the evidence including proceed of crime. Banking confidentiality or another confidentiality exception also added up some advantages for the law officer to using this trial.¹³ Therefore, the regulation on restriction of cash transaction will directly implicate to strengthen towards the follow the money trial as the most effective way to eradicate financial crimes.

In terms of of the similar issues, Indonesia and another countries has to be able to learn from experiences of other countries which has successfully implement the regulation about restriction on cash transaction and its positive effect towards the prevention and eradication of financial crimes itself. The first comparison are able to be seen in Mexico. The Financial Department of Mexico has the policy of anti money laundering by restricting some number of cash money in USD form that can be received/transferred with Mexico banking. This regulation are used for to prevent money laundering that came from illegal-drug business and also trans-organized crime. Mexico has boundaries of USD (United States of America Dollar) and MXN (Mexican Peso) exchange, with the maximum value is 1500 USD and for goods and service purchase, the maximum value is 100 USD.

¹³ Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK), Modul *E-Learning* 1 Pengenalan Anti Pencucian Uang dan Pendanaan Terorisme, Bagian Pertama, Pengenalan Pencucian Uang, PPATK, Jakarta, 2010.

Belgia has implemented the same kind of regulation on cash money restriction. Its regulation of Prevention on The Use of Financial System for Money Laundering and Financing Terrorism Purpose has prohibited real-estate property purchase by cash. Unless the purchase value are less than €5000. The same matter are also applied towards to goods and services retailer. The violation towards this regulation is also considered as administrative violation.¹⁴ In the other hand, France also has the regulation on cash money restriction with the maximum value €1000. Other than its purpose to combat money laundering, cash money restriction, this regulation are also used to prevent tax evasion, whether for the seller or buyer.¹⁵ Tax evasion can also be done by the use of cash transaction modus especially if the tax office of the state uses the transaction data on the non-cash financial system as one of its reference.

Even though we are able to do comparison study with other countries, the construction of this regulation should consider the special characteristic and modus of financial crimes that really happens in each country. The motivation of constructing the regulation on cash transaction can be different between one countries to another. In the context of positive law in Indonesia, the regulation on cash transaction as a part of prevention and eradication towards financial crimes and has been regulated on the Law Number 8 Year 2010. However, this law does not contain regulation on the restriction on cash transaction, but only the obligation on reporting the transaction done under the financial institution or done by designated non-financial businesses to Indonesian Financial Transaction Report and Analysis Centre (INTRAC/ PPATK) as a reporting party about transaction done in certain number or by Customs and Excises Department in terms of the carriage of cash money on certain number whether to domestic or foreign country. This reporting obligation will later be used by PPATK as a part of analysis to find the indication of crime.

However, this reporting obligation still cannot reach various financial crimes indication. This matter happens because of 2 causes: First, cash transaction that happens among the people sometimes does not involve reporting parties such as financial institution or designated non-financial businesses institution. These private transactions in drug trafficking or bribery are very possible to be executed between individual person without being recorded or involving reporting parties. Second, even though in the cash transaction has involved reporting parties, the data of the transaction will not be PPATK analysis ingredients or be in the normal indicator and

¹⁴ Belgium Law of 11 January 1993 on Preventing Use of The Financial System for Purposes of Money Laundering And Terrorist Financing (as amended by the Law of 18 January 2010 and as amended by the Royal Decrees of 6 May 2010 and of 3 march 2011, unofficial consolidated text - 1 April 2011).

¹⁵ "Cash Payments Limited to €1000, Article, <<http://www.french-property.com/news/money-france/cash-payments-limits>>, viewed on 20 February 2016.

PPATK as financial intelligence unit itself can not do specific analysis and investigations if the number in the transaction have not reach the limit of reporting obligation. Therefore, the reporting obligation will not be enough to be the main instrument of prevention and eradication of such crimes.

In terms of the nominal of the restriction, PPATK has suggested 100 million rupiahs as the limit.¹⁶ But this regulation can be adjusted with the result of the discussion between related parties without ignoring society needs and the urgency of the eradication of the crime. The regulation on cash transaction are also related in the restriction of the individual rights in doing economical activity and private sector, so the regulation must be in the form of law instead of government regulation or Bank of Indonesia regulation or other form of law. This regulation of cash transaction must also be included in cash transaction in foreign currency. This matter cannot be released from some financial crimes characteristic that happens in Indonesia as explained before. PPATK's suggestion that the restriction on cash transaction does include withdrawal transaction from the deposit account withdrawal transaction through the fund transfer organizer, check liquefaction transaction or other obligation letter, pension funds liquefaction transaction, vehicle purchase transaction, property, jewelry, precious metal, arts and antique goods; payment of auction transaction another transaction using cash money that can not be included in the transaction exception. Transaction exception are done between financial institution, government and central bank transaction between financial institution in terms of its business activity salary or pension payment transaction, tax payment transaction and another obligation towards the state; transaction in terms of executing the court decision cash in transit transaction; medication transaction transaction during natural disaster; transaction in terms of law enforcement.

The effort of the country on giving such force power to its society to use non-cash financial instrument will simplify the eradication of the crimes by raising some indication on the use of non-cash transaction suspiciously. Besides the transaction importance as regulated on the law, those cash transaction can be analysis ingredients or primary investigation of PPATK, in its effort to finds such crime indication. As an example, if the law has regulated that the limits of cash transaction is 100 million rupiahs, such indication of crime should arise suspicion and there should be verification towards the cash withdrawal from the banking system. This regulation of cash transaction should be an individual urgency and priority of the legislator of the state as we can bear in mind how massive the financial crimes using the modus of cash transaction in Indonesia.

¹⁶ Academic Draft of RUU Pembatasan Transaksi Penggunaan Uang Kartal (Law on Restriction of Use Currency Transaction).

Conclusion

Based on the issues and explanation above, we can conclude that:

1. The use of cash transaction modus in financial crimes has become an individual crime pattern to get around the financial institution and the effort on the law enforcement.
2. In the context of prevention, restriction on cash transaction in large number has given such force power so that the person who wants to commit such crimes using non-cash instrument and financial institution instead of using cash transaction.
3. The use of non-cash instrument through the financial institution, include banking will give such certainty on the records of the data transaction in detail including the source and the movement traffic. The certainty on the records of the data will be one of the main key for the financial intelligent unit in helping the law officer by using the follow the money trial to expose such financial crimes
4. The regulation on cash transaction will directly implicate on the enforcement of the execution on follow the money trial as the most effective way to eradicate financial crimes.

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TACKLING FINANCIAL CRIMES

VARIOUS INTERNATIONAL PERSPECTIVES

The development of crime, in this particular financial crime, has massively increased. Its manifestation has become major problems in all countries. The variety of financial crime manifestation can be understood such as fraud, corruption, money laundering, financing of terrorism and proliferation, cyber laundering, etc. These kinds of financial crime have attracted all the nations concern to build a good regime of the prevention and eradication against these crimes. The instrument of law such as criminal law and international law plays an important role in eradication while it is easily to mention that those variety of crimes has its characteristic as transnational crime and should be categorized as extraordinary crime.

Criminal law in its function to be a law which can maintain peace living between offender-victim and society of states shall be reconstructed to achieve its goals. Criminal law is not only about punishment. The problem of financial crime will need refunctioning of criminal law in all areas, national and international.

Emphasizing on the current condition, in global context economic growth is significant. In particular, Asia-Pacific is the fastest growing economic region and the largest continental economy by gross domestic product (GDP) purchasing power parity in the world. Therefore, it is important for all countries to keep the integrity of the economies from subversive wrongful actions.

This book is suitable for law students, legal practitioner, and people who interested in area of building a good regime in financial crime prevention and eradication.

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