# The Effectiveness of Law Enforcement Against Corporations in Narcotics Distribution Offenses by the Narcotics Investigation Directorate of the North Sumatra Regional Police

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**Abstract**
The increasing involvement of corporations in narcotics trafficking indicates a shift from individual criminal acts toward organized and structured criminal networks, posing significant challenges to law enforcement in Indonesia. Although the legal framework, particularly Law Number 35 of 2009 on Narcotics, has recognized corporations as subjects of criminal liability, its implementation in practice remains suboptimal. This study aims to analyze the effectiveness of law enforcement against corporations in narcotics offenses handled by the Narcotics Investigation Directorate of the North Sumatra Regional Police (Ditresnarkoba Polda Sumut), and to identify the factors affecting such effectiveness. This study employs a normative juridical approach supported by a conceptual approach through statutory and conceptual frameworks. The legal materials consist of primary, secondary, and tertiary sources analyzed qualitatively through legal interpretation and deductive reasoning. The findings indicate that law enforcement against corporations has not been optimally implemented, as enforcement practices continue to focus predominantly on individual perpetrators rather than corporate entities. Key obstacles include difficulties in proving corporate culpability, limited institutional capacity, weak inter-agency coordination, and the complexity of organized narcotics networks. Consequently, the deterrent effect of corporate criminal liability remains relatively low. This study recommends strengthening the technical capacity of law enforcement officers, formulating clear operational guidelines, and developing an integrated law enforcement strategy through the *follow the money* dan *multi-door approach*. These measures are essential to achieving more effective, consistent, and sustainable law enforcement.

**Keywords:** Corporate Criminal Liability, Narcotics Offenses, Effectiveness of Law Enforcement, Organized Crime

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## Introduction

Narcotics trafficking constitutes one of the most pervasive forms of organized crime, exerting wide-ranging impacts on social stability, economic development, and national security. In recent years, narcotics offenses have increasingly moved beyond individual perpetrators operating through conventional methods, involving instead more complex entities, including corporations acting as both instruments and principal actors in criminal activities. This phenomenon reflects a fundamental shift from individual criminal conduct toward organized and systematically executed corporate crime. The involvement of corporations in narcotics distribution chains poses a serious threat, given that corporations possess access to substantial resources, structured distribution networks, and greater financial capacity than individual offenders [1].

From a normative standpoint, Indonesian positive law has recognized corporations as subjects of criminal law, including in narcotics offenses as regulated under Law Number 35 of 2009 on Narcotics. This legal framework provides the basis for law enforcement authorities to take action against corporations involved in narcotics offenses. Nevertheless, in practice, law enforcement against corporations continues to face considerable challenges, particularly regarding the complexity of evidence-gathering, the intricate organizational structures of corporations, and the limited capacity of law enforcement officials. The complexity of corporate structures frequently creates difficulties in determining criminal liability, especially when offenses are committed through internal mechanisms or transnational networks [1], [6].

Empirically, the handling of narcotics cases by law enforcement authorities, particularly the Narcotics Investigation Directorate of the North Sumatra Regional Police (Ditresnarkoba Polda Sumut), reveals an increasing trend of cases involving increasingly sophisticated and organized networks. These networks frequently employ various modus operandi, including the use of business entities or corporations as fronts for narcotics distribution activities. Law enforcement data on narcotics in Indonesia over the past five years indicate that narcotics networks have become progressively more organized and are often linked to money laundering offenses in which corporations serve as vehicles for concealing the proceeds of crime [3], [21]. This situation demonstrates that corporations do not merely function as passive instruments, but may also act as active subjects in narcotics offenses.

The effectiveness of law enforcement against corporations in narcotics cases remains a critical issue requiring further investigation. Several studies have indicated that corporate criminal law enforcement in Indonesia has not functioned optimally, particularly in the application of sanctions capable of generating a sufficient deterrent effect. This condition is influenced by various factors, including limited inter-agency coordination, inadequate human resources, and the suboptimal application of the multi-door approach in handling cases involving corporations [2]. Furthermore, the power asymmetry between corporations and law enforcement authorities presents an additional challenge, given that corporations often possess greater access to legal and financial resources.

Advances in information technology have further expanded the operational space for narcotics offenses involving corporations, including through digital platforms and modern financial systems. Such developments increasingly complicate law enforcement processes, as they demand advanced technical capabilities and cross-sectoral as well as cross-border coordination. In the absence of strengthened institutional capacity and adaptive legal policy reform, law enforcement against corporations in narcotics cases risks becoming ineffective in responding to increasingly complex criminal patterns [1].

From the perspective of criminal law policy, law enforcement against narcotics offenses should not be oriented solely toward a repressive approach, but must also consider aspects of effectiveness and justice. An approach that is excessively focused on individual perpetrators while neglecting corporate actors will undermine systematic efforts to eradicate narcotics trafficking. Therefore, a more comprehensive strategy is required to hold corporations accountable as part of organized narcotics networks, including through the optimization of corporate criminal liability mechanisms and the strengthening of evidentiary systems.

Based on the foregoing, the central research problem of this study focuses on the effectiveness of law enforcement against corporations in narcotics distribution offenses, particularly those handled by Ditresnarkoba Polda Sumut, as well as the factors influencing such effectiveness. This issue warrants scholarly examination given the strategic role of law enforcement authorities in dismantling narcotics distribution networks involving corporate entities. This study is directed at addressing two primary research questions: first, how effective is law enforcement against corporations in narcotics distribution cases handled by Ditresnarkoba Polda Sumut; and second, what factors impede the effectiveness of such law enforcement.

This study is expected not only to contribute to the development of corporate criminal law theory, but also to provide practical recommendations for law enforcement authorities in improving the effectiveness of handling narcotics cases involving corporations. A humanistic approach remains necessary, as law enforcement is fundamentally aimed at protecting society and achieving a balance among legal certainty, utility, and social justice.

## Literature Review

### 1. Theory of Corporate Criminal Liability

The development of modern criminal law reflects a significant shift from individual-based liability toward the recognition of corporations as subjects of criminal law. This transformation is grounded in the reality that corporations play a pivotal role in economic activities while simultaneously possessing the capacity to cause substantial harm to society, including through narcotics offenses. Accordingly, corporations are no longer viewed merely as fictitious legal entities, but rather as actors that may be held criminally accountable [1].

Theoretically, several doctrines serve as the foundation for corporate criminal liability. The identification theory (*identification theory*) posits that the acts and intentions of officers or senior management are regarded as the “directing mind” (*directing mind*) of the corporation, thereby allowing their conduct to be attributed to the corporation itself. Meanwhile, the doctrine of *vicarious liability* enables a corporation to be held liable for the acts of its employees or agents performed within the scope of their employment, even without direct involvement from senior management [5].

Another doctrine that has emerged is *strict liability* as a response to criminal offenses posing significant risks to the public interest. Under this doctrine, liability may be imposed without the need to prove the existence of a fault element (*mens rea*), it being sufficient to establish that a prohibited act has been committed. This approach is particularly relevant in narcotics offenses, as the protection of public interests necessitates a more pragmatic evidentiary standard [8].

In the context of Indonesian law, although corporate criminal liability has been formally recognized, its implementation continues to encounter various obstacles. Difficulties frequently arise in determining the boundaries of liability between corporations and their management, as well as in establishing the attribution of criminal intent [19]. These challenges directly affect the effectiveness of law enforcement in addressing corporate involvement in narcotics offenses.

### 2. Theory of Law Enforcement Effectiveness

The effectiveness of law enforcement is a central concept used to assess the degree to which legal norms achieve their intended objectives, namely justice, legal certainty, and social order. Theoretically, effectiveness is determined not only by the existence of legal rules, but also by their implementation and their influence on societal behavior [2].

One of the most widely employed analytical frameworks for evaluating the effectiveness of law is the legal system theory, which comprises three interrelated components: legal substance, legal structure, and legal culture. Legal substance refers to the clarity and adequacy of legislation governing corporate criminal liability. Legal structure encompasses the institutional capacity and professionalism of law enforcement officials. Legal culture, in turn, reflects the level of legal awareness and compliance within society, including among corporations [2].

In the context of corporate crime, effectiveness is also influenced by the capacity of law enforcement authorities to address complex and organized forms of criminal activity. Effective law enforcement is measured not merely by the number of cases processed, but also by the degree to which enforcement generates a deterrent effect and prevents the recurrence of similar offenses. Accordingly, effectiveness must be understood in both quantitative and qualitative dimensions.

### 3. Theory of Organized Crime

Narcotics offenses are conceptually categorized as a form of organized crime characterized by structured networks, systematic operations, and clear economic motives. The theory of organized crime explains that such criminal activities are not incidental in nature, but are instead carried out through meticulous planning and a division of roles among the perpetrators [3].

Within this framework, corporations frequently function as vehicles or facilitators for illegal activities, including narcotics distribution and money laundering. The use of corporations confers strategic advantages, as illegal activities can be concealed beneath ostensibly legitimate business operations. This condition renders the processes of detection and law enforcement considerably more difficult to execute.

Organized crime is also adaptive to technological developments and regulatory changes. As a result, conventional law enforcement approaches are frequently insufficient to address criminal offenses involving corporate actors. Therefore, a more integrated and strategic approach is required to effectively dismantle such criminal networks.

### 4. Theory of Criminal Policy

Criminal policy theory views law enforcement as a component of a broader strategy for addressing crime through both penal and non-penal means. From this perspective, criminal law functions not merely as a repressive instrument, but also as a preventive and corrective tool aimed at maintaining social order. In cases of narcotics offenses involving corporations, criminal policy must ensure that law enforcement targets the principal actors behind corporate structures rather than focusing solely on lower-level perpetrators. This approach is essential to avoiding partial law enforcement and to addressing the root causes of criminal conduct.

Criminal policy further emphasizes the importance of integrating multiple legal instruments, including criminal law, administrative law, and financial regulation. This integrated strategy, known as the *multi-door approach* aims to enhance the effectiveness of law enforcement against complex and organized crime [1]. By combining various legal mechanisms, law enforcement authorities will be better equipped to hold corporations accountable and to dismantle criminal networks comprehensively.

## Research Methodology

This study employs a normative juridical approach supported by a conceptual approach to analyze the effectiveness of law enforcement against corporations in narcotics distribution offenses. The approaches utilized in this study include the statutory approach (*statutory approach*) and the conceptual approach (*conceptual approach*). The statutory approach involves an examination of relevant legal provisions, particularly Law Number 35 of 2009 on Narcotics, the Code of Criminal Procedure (KUHAP) as the legal basis for the law enforcement process, as well as various other regulations pertaining to corporate criminal liability and the protection of human rights. The conceptual approach is employed to examine legal concepts such as corporate criminal liability, *due process of law*, legal certainty, and the principles governing the protection of suspects' rights within the criminal justice system [9].

The legal materials used in this study consist of primary, secondary, and tertiary legal sources. Primary legal materials include statutory regulations, particularly the Code of Criminal Procedure, Law Number 39 of 1999 on Human Rights, and relevant court decisions. Secondary legal materials comprise textbooks, academic journals, research findings, and legal expert opinions pertaining to detention, *due process of law*, and the protection of suspects' rights. Tertiary legal materials include legal dictionaries, encyclopedias, and various other sources that support the understanding of legal terms and concepts employed in this study [10].

Legal materials were collected through library research (*library research*) employing systematic search techniques to obtain relevant and current legal sources. Data analysis was conducted qualitatively using methods of legal interpretation and deductive reasoning. This analysis aims to assess the consistency between applicable legal norms and law enforcement practices in the field, particularly in cases involving corporations. To ensure the validity of the research, legal materials triangulation was employed through the comparative analysis of various legal sources, thereby producing a comprehensive, systematic, and academically accountable analysis [11].

## Results

### 1. Effectiveness of Law Enforcement Against Corporations in Narcotics Distribution Offenses by Ditresnarkoba Polda Sumut

The effectiveness of law enforcement against corporations in narcotics distribution offenses cannot be separated from the legal framework established under Law Number 35 of 2009 on Narcotics, which expressly recognizes corporations as legal subjects that may be held criminally accountable. Article 130 of the law stipulates that corporations may be prosecuted and sanctioned where narcotics offenses are committed within the scope of corporate activities. This normative provision reflects the legislature's intention to extend criminal liability not only to individuals, but also to corporate entities that facilitate or derive benefit from narcotics trafficking activities [12]. The findings of this study indicate that the implementation of these provisions by Ditresnarkoba Polda Sumut has not yet reached an optimal level of effectiveness. Law enforcement remains predominantly focused on individual perpetrators, while corporate actors are frequently positioned only as supporting instruments rather than as primary subjects of criminal liability. This situation reveals a significant gap between normative regulation and law enforcement practice in the field. Empirically, it was found that although corporate involvement is quite apparent, particularly in aspects of logistics, distribution channels, and the concealment of financial flows, law enforcement authorities tend to prioritize cases that are more straightforward to prove from a criminal evidentiary standpoint [13], [20]. Examined through the lens of law enforcement effectiveness theory, this condition reflects an imbalance between legal substance and legal structure. While legal substance has indeed accommodated corporate criminal liability, the institutional capacity to enforce such provisions remains limited. Investigators encounter difficulties in establishing the corporate will or intent, identifying those serving as the *directing mind*, and constructing a nexus between corporate activities and narcotics offenses. These challenges are further compounded by the organized character of narcotics networks, which employ multi-layered corporate structures to obscure legal accountability [14]. Efek jera (*deterrent effect*) of law enforcement against corporations remains relatively weak. Sanctions against corporations are rarely applied to their fullest extent, such as the revocation of business licenses or the dissolution of corporations as provided under the Narcotics Law. Law enforcement tends to terminate at the level of individual criminal liability. As a consequence, corporations that are indirectly involved in narcotics trafficking continue to operate unimpeded. This situation ultimately undermines the objectives of criminal law policy, which are directed not only at punishment but also at preventing the recurrence of similar offenses.

Ditresnarkoba Polda Sumut has nonetheless demonstrated adaptive efforts in response to the increasingly complex developments in narcotics crime. These efforts include the gradual application of *financial tracing* techniques and coordination with other agencies in tracing money laundering offenses related to narcotics cases. Such measures indicate a shift toward a more integrated model of law enforcement, although their implementation remains inconsistent and requires further institutional strengthening [18].

## 2. Factors Affecting the Effectiveness of Law Enforcement Against Corporations

The effectiveness of law enforcement against corporations in narcotics offenses is influenced by a combination of juridical, structural, and cultural factors. From a juridical perspective, although Law Number 35 of 2009 on Narcotics has provided a legal basis for corporate criminal liability, the absence of detailed procedural guidelines creates ambiguity in its application. This ambiguity encompasses evidentiary standards, the attribution of liability, and the boundaries of corporate responsibility. As a result, law enforcement authorities tend to exercise caution and restrict the application of these provisions due to concerns regarding the complexity of legal interpretation that has yet to be supported by adequate procedural rules [15].

From a structural perspective, limited institutional capacity constitutes a highly significant factor affecting the effectiveness of law enforcement. Handling corporate criminal offenses requires specialized expertise in financial analysis, corporate governance, and digital forensics. However, the availability of human resources with such competencies within law enforcement agencies remains limited. Furthermore, inter-agency coordination among the police, prosecution services, and financial intelligence units has not functioned optimally, resulting in fragmented enforcement efforts.

Numerous studies indicate that weak inter-agency cooperation constitutes one of the primary obstacles to effectively addressing corporate crime [16]. Cultural factors also exert a significant influence. In law enforcement practice, a paradigm persists that places greater emphasis on individual liability than on corporate accountability. This paradigm shapes investigative strategies that tend to focus on easily identifiable suspects rather than tracing more complex corporate structures. Moreover, corporate compliance culture (*compliance culture*) in Indonesia has not developed optimally, as evidenced by the continued existence of business entities operating with minimal oversight and accountability.

An additional contributing factor is the transnational character of narcotics offenses. Corporations involved in narcotics distribution networks frequently operate across jurisdictions, thereby impeding law enforcement authorities in obtaining evidence and executing legal actions. This condition necessitates effective international cooperation mechanisms; however, in practice, such cooperation is often hampered by differences in legal systems and procedures between countries [17].

Based on these various factors, it is evident that improving the effectiveness of law enforcement against corporations requires a comprehensive approach. Strengthening regulatory clarity, enhancing institutional capacity, and building a culture of accountability are essential steps to ensuring that corporations can be effectively held accountable for their involvement in narcotics offenses. These efforts are important not only for achieving legal certainty, but also for protecting society from the far-reaching consequences of organized narcotics networks.

## Conclusion

1. The effectiveness of law enforcement against corporations in narcotics distribution offenses handled by Ditresnarkoba Polda Sumatera Utara has not yet reached an optimal level. Although Law Number 35 of 2009 on Narcotics has recognized corporations as subjects of criminal law, law enforcement practices remain predominantly oriented toward individual perpetrators, while corporations are generally positioned only as supporting instruments

rather than as principal actors. This gap between normative regulation and practice results in the infrequent imposition of corporate sanctions, such as the revocation of business licenses and the dissolution of corporations, thereby yielding a relatively low deterrent effect.

2. The effectiveness of law enforcement against corporations is influenced by a combination of juridical, structural, and cultural factors. The juridical factor consists of the absence of detailed procedural guidelines regarding evidentiary standards and the attribution of corporate liability; the structural factor includes limited institutional capacity, a shortage of human resources competent in financial analysis and digital forensics, and weak inter-agency coordination; and the cultural factor encompasses a paradigm that continues to emphasize individual liability and the underdeveloped state of corporate compliance culture. The transnational character of narcotics networks further compounds these obstacles.

**Recommendations**

1. It is necessary to strengthen the capacity of law enforcement authorities, particularly within Ditresnarkoba Polda Sumatera Utara, through the enhancement of technical competencies in handling corporate criminal offenses, including financial analysis, digital forensics, and corporate evidentiary techniques. The formulation of clearer and more measurable operational guidelines for handling narcotics offenses involving corporations is also essential. This step is critical to bridging the gap between applicable legal norms and law enforcement practices in the field, thereby enabling the application of corporate criminal liability to be carried out more effectively and consistently.
2. It is also necessary to strengthen inter-agency coordination and to develop an integrated law enforcement approach, including through the optimization of the *follow the money* dan pendekatan *multi-door approach*. Such an approach enables law enforcement authorities to extend their focus beyond individual perpetrators and to hold corporations accountable as constituent parts of criminal networks. In addition, it is important to promote the formation of a legal compliance culture (*compliance culture*) within the corporate sphere through more rigorous oversight and the application of genuinely deterrent sanctions. In this manner, law enforcement will be not only repressive in character, but also preventive and sustainable in protecting society from the impacts of narcotics offenses.

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