

Potential of Weakening Corruption Eradication through Indonesia's Bilateral Investment Treaties

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Abstract. This study focused on analyzing Bilateral Investment Treaties which has potential to weaken Corruption Eradication in Indonesia and find the ideal conception in this treaties to make Corruption Eradication be stronger in Indonesia. This study uses the normative method by analyzing the case of Al-Warraq against Indonesia in International Arbitration and comparing the Indian and Indonesia Model BIT with Bilateral Investment Treaties in Indonesia. The results of this study explain that fair and Equitable Treatment and Investor-State Dispute Settlement mechanism content in these treaties can strengthens Investor's position as the suspect of corruption, because this content can be used investors to sue the state for law enforcement of corruption against him. Indonesian's Bilateral Investment Treaties in the future, need to include content prohibition of corruption in this treaties as India did in their BIT model. In addition, Indonesia also need to immediately adopted the Indonesia-New Model BIT because this model has content to restrict investors from being able to sue the state for enforcement of corruption criminal law against them.