

## ABSTRACT

This research aims to analyze the abuse of Alternative Remittance System in the criminal law perspective. Alternative Remittance System, as a method of money remittance outside the financial sectors, although has important roles in enhancing the Indonesian economy can be misused by the criminal offenders. The abuse of Alternative Remittance System can potentially created several economic crimes such as money laundering, currency exchange, fund transfer, funding of terrorism etc. In order to protect the state and public interest, the criminal law must be involved to formulating the best regulation for Alternative Remittance System. The type of this research is a legal research using conceptual, statute and comparative approaches.

The results of this research can be classified : *firstly*, the philosophical basic regulation of Alternative Remittance System is based on the Preamble of Indonesian Constitutional Law 1945, Pancasila and also Indonesian Economic System as founded in Article 33 Indonesian Constitutional Law 1945. The involvement of criminal law in the regulation of Alternative Remittance System is protecting the economic system from any potentially misuse of Alternative Remittance System. *Secondly*, in the current legal system, the criminal regulation related with Alternative Remittance System is not clearly defined and is not oriented with the utilitarian approach. The penal policy constructed the crime is urgently needed. *Thirdly*, criminalization to certain acts of Alternative Remittance System is a form of Penal Policy. The criminalization, criminal responsibility and criminal sanction should be based on Principle of Non – Discriminative and Principle of Balance Interest to gain the deterrent effect.

**Keywords :** Alternative Remittance System, criminal law, penal policy, criminalization.