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Research Article

The problems of Illegal Online Loans based on the Victim's Perspective: A Case Study

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ABSTRACT

The problems of illegal online loan cases is detrimental to society and the government. Illegal online loans have easy procedures to attract and interest the public. In collecting illegal online loans, they commit terror, spread personal data, spread slander, and hoaxes via chat and telephone. There is no transparency from illegal online loan companies to victims regarding interest, making victims pay larger debts than the amount borrowed. This study aims to examine the role of the victim in the occurrence of crimes committed by these illegal online loans. This study uses a qualitative research method with Criminal Function Theory by Stephen Schafer as an analytical tool that explains the role of the victim. Collecting data using observation techniques, interviews, and documentation. Based on the research results, it was found that when borrowing, the victim initially did not know that the application was illegal. The behavior of victims who are late in paying debts stimulates perpetrators to commit crimes against victims. Victims also borrow back at illegal online loans even though they know the risks.

Keywords: victim; online loans; illegal

1. INTRODUCTION

Technological transformation in the financial sector can be seen from the presence of financial technology or what is known as financial technology. In short, financial technology is an innovation in the financial sector that uses modern technology, so that financial transactions become more practical, safe and modern (Salsavani & Kholil, 2020). One form of fintech that is generally used by the public is fintech peer to peer lending, or what is known as online lending.

An online loan is a loan that can be submitted through an online application (Gustiar & Setiawan, 2022). The existence of online loans facilitates money loan facilities by financial service providers who operate online (Indriani, Nurhayati, & Utaminingsih, 2021). Well-known online loan providers have a simple process and are very useful in the current situation, where there is an urgent need, but no funds are available (Subagiyo, et al, 2022). Online loans still have risks, namely high interest rates, and that is what they control. Personal data is also still prone to leaks online. Customer data is clearly very vulnerable to leaks and spreads freely. (Khaq & Hidayat, 2022). Apart from that, not only that, behind the convenience of online loans for the community, there are problems and negative impacts on users, namely the presence of illegal online loan companies.

Illegal Peer-To-Peer Lending Companies (P2PL) or commonly known as illegal online loans are information technology-based lending and borrowing activities carried out without permission from the authorities, namely the Financial Services Authority *(Otoritas Jasa Keuangan/OJK)* as stipulated in the POJK P2PL (Novridasati, Ridwan, & Initiative). Illegal online loans have procedural requirements that only require personal data, photo identification, photos of identity cards *(Kartu Tanda Penduduk/KTP)*, and emergency telephone numbers. So that the easy procedure becomes the attraction and interest of the community.

Currently, to help people get out of economic problems, many online loan services *(Pinjaman Online/Pinjol)* offer low-interest loans. This loan can be easily accessed only with an identity card *(Kartu Tanda Penduduk/KTP)* and a cellphone. During the current pandemic, loans are considered a helper for the community, because they are able to easily provide funds to meet their daily needs. With the various facilities available in the loan, it is hoped that the community's economy can grow. (Arifin, et al, 2022).

In several studies it is explained that in general crime problems related to unfavorable urban conditions are classified as problems concerning the ecology of urban disorganization. (Rinaldi, 2019). The development of illegal online loan companies in Indonesia is quite massive. One of the factors people borrow from online loans is the economic factor (Novika,

Septivani, & P). So that this becomes the motivation to carry out the action by taking advantage of the victims' economic difficulties and low levels of financial literacy. The phenomenon of illegal online loans has forced the Financial Services Authority *(Otoritas Jasa Keuangan/OJK)* to block and close illegal online loan companies.

Even though the Financial Services Authority *(Otoritas Jasa Keuangan/OJK)* has blocked illegal online loans. Illegal online loans keep reappearing under a new company name. This is also due to technological sophistication that makes it easier for illegal online loans to operate again after being blocked by the OJK *(Otoritas Jasa Keuangan/Financial Services Authority)*.
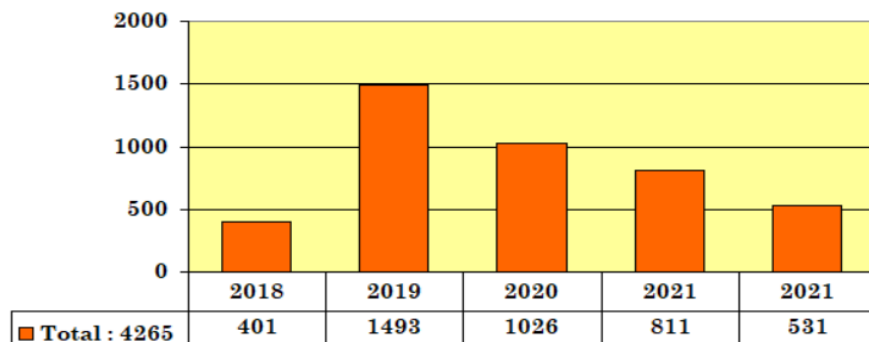

Figure 1. Number of Illegal Online Loans Terminated by OJK
Source: Official Website of the Financial Services Authority/OJK

Based on the data of the **Figure 1**, it can be seen that the growth of illegal online loans has fluctuated from year to year. From the data above it can be seen that in 2018 the number of online loans terminated by OJK was 401, in 2019 there were 1493 illegal online loans, then in 2020 there were 1026, in 2022 there were 811 and in 2021 there were 531 online loans *(Pinjaman Online/Pinjol)* which was discontinued by OJK *(Otoritas Jasa Keuangan/Financial Services Authority)*. Initially, illegal online loans online loans *(Pinjaman Online/Pinjol)* promised low loan interest. However, in reality there is no transparency from illegal online loan companies to victims. So that the victim pays a debt that is greater than the amount borrowed. In addition, the short term for paying off debt and the amount of debt repayment being greater than the amount borrowed makes the victim late in paying off her debt so that it is overdue and subject to fines.

Based on the results of research conducted by Indah Aprilia Sadiki, online loan service providers have been regulated in the Financial Services Authority Regulation Number 77/POJK.01/2016 concerning Information Technology-Based Borrowing and Borrowing Services, but not all online loan companies are registered with the financial services authority. Then the legal consequences of default in online loans are not clearly regulated because existing regulations only regulate defaults made by legal online loans, while illegal ones are only regulated for reprimands and up to blocking if proven guilty, related to consumers being delegated to the Criminal Code and the Protection Act. consumer (Sadiki, 2020).

According to Paripurna (2021) victims are people or communities who experience physical, emotional, and even financial losses as a result of a crime. Victims of crime do not only include individuals, but can be groups, communities, and even legal entities (Soetoto, Ismail, & Lestari, 2022). According to Waluyo (2011) there are two types of victims, namely direct victims and indirect victims. The use of thoughts, feelings and desires in reacting to the environment is one of the reasons for the formation of social groups or communities. (Rinaldi, et al, 2022). In the study of victimology, it is explained that a number of community members tend to repeatedly become victims of crime (Rinaldi, 2022). The inability and delay of victims to pay off their debts, either intentionally or unintentionally, has provoked illegal online lenders who have felt aggrieved by victims. Thus, motivating illegal online loan *(Pinjaman Online/Pinjol)* actors to use crime to pay off their debts immediately. Victims of illegal online loans receive bills by means of intimidation, threats, and contain elements of verbal violence. Cases of illegal online loans *(Pinjaman Online/Pinjol)* were also experienced by X and Y in Teluk Kuantan, Riau Province. Kuantan Bay is the capital of Kuantan Singingi Regency, Riau Province, Indonesia. The victim came from the middle to lower economic class and experienced economic difficulties. X and Y experience terror as a result of borrowing from illegal online loans and receive threats from spreading personal data such as spreading photos, spreading slander, and terror via chat and telephone.

This happens because all online loans ask for permission to read storage on smartphones, namely the READ_PHONE_CONTACTS permission (Wijayanto, Hariyadi, & Muhammad, 2020). This is what causes illegal online loan parties to access the victim's personal data when the illegal online loan application is installed. At the time of submission, the victim had a low level of financial literacy so he did not find out more about the risks of the online loan. Economic difficulties make the victim more focused on lending without caring about the risks or licensing of the online loans that he submits. Victims let it happen because they think there is no big risk as a consequence of this omission (Rinaldi & Mayasari, 2017).

Based on the things that have been described, it proves that the existence of illegal online loans *(Pinjaman Online/Pinjol)* causes a lot of losses not only for victims who borrow, but also for the government. On the other hand, victims have involvement or behavior that influences the occurrence of crimes against them. So the authors are interested in conducting research to examine the role of the victim in the occurrence of crimes committed by illegal online loans to victims X and Y in Teluk Kuantan.

2. METHOD

In this study, the authors used qualitative research methods. According to Taylor and Bogdan in Bagong Suyanto (2007:166) qualitative research is research that produces descriptive data including spoken and written words and behavior that can be observed from the informants studied. According to J.R. Raco (2010: 57) qualitative research requires writers to be directly involved in the research process, both in data collection through interviews or observation methods, as well as data analysis. According to Sandu Siyoto & Ali Sodik (2015: 58) data sources are grouped into two types, namely primary data and secondary data. In this writing, it uses primary data which the writer obtains directly from informants and secondary data which the writer obtains from various official sources such as journals, books, the Central Bureau of Statistics (BPS), documentation, and others. To obtain research data, the authors use data collection techniques which include observation, interviews, and documentation. The author uses key informants and informants in obtaining primary research data as shown in **Table 1.**

Table 1. Number of Key Informants and Writing Informants

No	Source person	Key Informant	Informant
1	Victim	2	
2	Victim's father		1
3	Victim's brother		1
4	Psychologist		1
5	Police		1
6	The Financial Services Authority *(Otoritas Jasa Keuangan/OJK)*		1
	Total	2	5

Source: Author's Modification (2022)

The data analysis technique according to Bogdan and Biklen (1992: 189) in Ajak Rukajat (2018: 52) is a process of finding and organizing in a structured manner the results of observations, interviews and documentation studies to improve research on the cases studied. In data analysis, it has a data reduction process, which means sorting and categorizing data according to research needs.

3. RESULTS AND DISCUSSION

After the authors conducted research on research informants, the following results were obtained:

1) The role of the victim in making loans in illegal online loan applications. When victims X and Y applied for a loan, the victim initially did not know that the application was illegal. However, after receiving terror and threats, the victim finally found out that the loan did not have a license registered with the OJK and victim X had to apply for a loan 5 times in this illegal online loan. Victims do not have the initiative to find out about the online loan licensing. In addition, the behavior of victims who are late in paying their debts provokes perpetrators to commit crimes against victims. Victims who initially borrowed small amounts were required to repay their debts that were larger than the amount borrowed. This was due to the large interest and fines. So that this provokes the perpetrator to commit a crime against the victim so that the victim can pay off his debt.
2) In this study there were indirect victims, namely the victims' relatives. Indirect victims include victims who experience suffering or loss even though they are not directly involved. Victims X and Y experienced terror in billing via chat and telephone, threats to spread photos and slander, verbal abuse using harsh words in billing, and victims experienced stress due to terror.

The study of victims is related to Victimology. According to Siswanto Sunarso (2015: 2) victimology is a study that studies and discusses a process of criminal victimization as a human problem. As part of the study of criminology, the study of victims is specifically discussed in victimology (Rinaldi, 2022: 676). The theory used in this study uses one of the modern victimological theories.

Stephen Schaffer in Maya Indah (2019) in his theory of criminal-function relationships tries to examine the functional responsibility of the relationship between victims and perpetrators of crimes. In this theory, Stephen Schaffer explained regarding the qualifications of victims including forms of victim involvement and victim responsibilities, namely:

1) Unrelated victims: those who have no relationship with the perpetrator of the crime unless the perpetrator has committed a crime against him. Based on Schaffer's opinion, all members of society have the potential to become victims. In this case the responsibility lies with the perpetrator.
2) Provocative victimis: that is, who does something to the occurrence of a violation, the consequence becomes a stimulus or encourages them to become victims. The perpetrator reacts to the victim's behavior. In this case the victim is the main actor and accountability lies with both the victim and the perpetrator.
3) Precipitative victims: those who are not aware that their behavior encourages the perpetrators to commit crimes against themselves. Victims who put themselves in dangerous situations. In this case the full responsibility lies with the perpetrator.
4) Biological weak victims: those who have a certain physical or mental form that causes people to commit crimes against them. Examples include small children, the elderly, women and people with disabilities. In this case the responsibility lies with the community or local government.

5) Social weak victims: those who are not cared for by the wider community as members of that society. Examples include immigrants, adherents of certain religions, and ethnic minorities who have a weak social position. In this case the responsibility lies with criminals or society.

6) Self-victimizing victims: those who become victims of crimes they have committed themselves. Examples include drug addicts, drugs, homosexuals, alcoholics, and gambling. In this case the responsibility lies with the perpetrator who is also the victim.

7) Political victims: those who suffer because of their political opponents. This victim is sociologically can not be accounted for.

Based on the problems and research data that the authors obtained in the field, the authors use Stephen Schafer's Criminal Function Relationship theory which has various typological classifications of victims to explain the role of victims X and Y in the occurrence of crimes committed by illegal online loans in Teluk Kuantan.

In the theory of Criminal Function Theory there are 7 typologies of victims in the occurrence of crimes. This theory examines the functional responsibilities between victims and perpetrators. Of the 7 typologies, the typology that corresponds to the research data that the authors got is Provocative Victims. Provocative Victims, namely who is the driving force or provides the stimulus to become a victim of crime. In this typology, the perpetrator reacts to the victim's behavior. Regarding the typology of victims from Stephen Schafer, there are things that are in accordance with the findings of the data that the authors got in the field. That is, victim X consciously knows that the loan application is an illegal online loan application. Victims X and Y also have behaviors that can encourage or provoke the perpetrators to commit crimes. This behavior is the delay in paying illegal online loan debts that have passed the due date.

In addition, victim X deliberately borrowed again from illegal online loans, even though he knew the risks. So in Stephen Schafer's Criminal Function Relationship theory, victims X and Y are classified into Provocative Victims. This is because the victim consciously encourages himself to become a victim of crime so that the responsibility lies with both the victim and the perpetrator of the crime.

4. CONCLUSION

Illegal online loans do not have permission from the Financial Services Authority. In Billing, illegal online loans use elements of crime to their victims. Based on the findings of research data in the field from informants and the analysis that the authors got. It was found that there was a role for the victim in the occurrence of crimes committed by illegal online loans to victims. This illegal online loan case also caused indirect victims, namely the victim's closest relatives who were registered in the victim's emergency contact also experienced terror. As a result of the terror of illegal online loans, victims experience stress and fear due to threats made by these illegal online loans. So that the crime that the victim experienced is the responsibility of the victim and the perpetrator.

RECOMMENDATIONS

The recommendations in this study are:
1. With this illegal online loan case, it is hoped that people will have good financial literacy.
2. For policy makers such as the police and the Financial Services Authority to be able to take preventive measures and so that the public does not fall for the convenience of illegal online loans.

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AUTHOR'S CONTRIBUTIONS

The authors discussed the results and contributed to from the start to final manuscript.

CONFLICT OF INTEREST

The authors declare that he has no competing interests.

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