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Original Article

Inflation preventive problems for depositors who move savings to other banks

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Abstract
The issue of global recession also affects the banking sector. Amid potential inflation, many depositors are being offered higher interest rates by other banks, so they are tempted to transfer their savings. The research method used in this research is normative juridical. The research results show that the banking practice of offering high-interest rates to depositors amidst issues of inflation and recession will, of course, have an impact on the stability of the banking economy.
Keywords: Moving, Savings, Bank, Other

1. Introduction

Banks according to Article 4 of Law of the Republic of Indonesia Number 7 of 1992 as amended by Law Number 10 of 1998 concerning Banking aim to support the implementation of national development in order to increase equality, economic growth and national stability towards improving the welfare of the people at large. And based on Article 1 Paragraph 2 of Bank Indonesia Regulation Number 22/23/PBI/2020 concerning Payment Systems that Banks are commercial banks and people's credit banks as intended in the Law concerning banking, including foreign bank branch offices in Indonesia. So, it can be concluded that banks also function as agents of development or national development agents whose aim is to increase equitable development (Untung, 2000).

The Deposit Insurance Corporation (LPS) reminds the public not to be easily tempted by high bank interest offers to avoid the risk of saving at the bank. This article was published on the SINDOnews.com page on Thursday, March 25 2021 - 18:06 IWST by Agung Bakti Sarasa with the title "Avoid the Risks of Saving, LPS: Don't Be Easily Tempted by High Bank Interest" (Sindonews, 2022).

At the BI Board of Governors (RDG) meeting held on January 18-19 2023, the central bank also decided to increase the Deposit Facility interest rate by 25 bps to 5.00 percent, and the Lending Facility interest rate by 25 bps to 6.50 percent. Bank Indonesia believes that the BI7DRR increase of 225 bps from August 2022 to 5.75 percent is sufficient to ensure core inflation remains within the range of 3.0 ± 1 percent in the first semester of 2023. Meanwhile, Consumer Price Index (CPI) inflation returns to target 3.0±1 percent in semester II 2023. CPI at the end of 2022 was recorded at 5.51 percent annually (YoY). This figure was recorded to be much lower than the forecast according to the Consensus Forecast of 6.5 percent (YoY) after adjustments to subsidized fuel oil (BBM) prices in September 2022 (Putra, 2023).

Based on the data above, there is a close link between inflation and deposits which play a fairly high role in maintaining banking stability as a preventive measure in facing future inflation, so it needs to be studied from a banking law perspective.

2. Methods

In this research, the research method used is the normative juridical legal research method. The approach used is a statutory approach, using library research methods (Marzuki, 2011). Using a legislative approach, this research will look for answers related to limiting and standardizing changes to a law (Sihombing & Hadita, 2022). The data analysis process in this research method will involve two main components: Normative Juridical Legal Analysis: Data analysis will be carried out by referring to relevant legal norms related to the research topic. This involves an in-depth understanding of applicable laws and regulations, as well as an analysis of changes and standards that may be implemented in those laws. Legislative Analysis: With a legislative approach, research will focus on changes and limitations related to the law being researched. This includes identifying changes in legal regulations, as well as understanding the standards used to govern those changes. Normative juridical legal research methods with a statutory approach will help in exploring legal aspects related to this research topic. This analysis will enable the identification of applicable limitations and standards in legal changes, in line with the objectives of this research (Sihombing & Hadita, 2022).

3. Result and Discussion

Banking Depositors in Indonesian Legislation

Based on the principle of legal supremacy and ladder theory, Article 33 of the 1945 Constitution of the Republic of Indonesia as a grundnorm which in the hierarchy of statutory regulations occupies the highest rank must be the source of law for legislative regulations in the economic sector whose hierarchy is below it. Article 33 of the 1945 Constitution of the Republic of Indonesia must become a general policy, especially in the formation of laws in the economic sector. This means that these policies are binding and their implementation is coercive and is stated in the form of legislation. The law must not conflict with the Constitution. If it conflicts, the law can be tested through a judicial review process at the Constitutional Court (MK) (Ruslina, 2010). Based on Article 1 Number 7 of the Banking Law, it reads, "Deposits are savings whose withdrawals can only be made at a certaintime based on the depositor's agreement with the bank." Deposits as collateral are very profitable for banks, because deposit guarantees are very easy to disburse (Adijaya, 2012).

Deposits are savings from which withdrawals can only be made at certain times based on the deposit customer's agreement with the bank. Meanwhile, savings are funds entrusted by the public to banks in the form of demand deposits, time deposits, certificates of deposit, savings and/or other similar forms. Basically, the principle applied in Term Savings is the mudharabah mutlaqah/terms principle, namely the principle where the owner of the funds gives full freedom to the manager to use the funds in businesses that he considers good and profitable (Karim, 2010).

The legal relationship between depositors and banks is based on an agreement. For this reason, of course it is normal if the interests of the customer concerned receive legal protection, such as the protection provided by law to banks. It cannot be denied that there is political will from the government to protect the interests of bank customers, especially customers who save funds. This is proven by the issuance of Law Number 8 of 1999 concerning Consumer Protection, apart from those regulated in Law Number 7 of 1992 jo. Law Number 10 of 1998 concerning Banking (Mamuaja, 2015).

The legal relationship that underlies the relationship between business actors, in this case the bank and consumers, who in this case are service users. Safe Deposit Box is a legal rental relationship. According to Prof. Soebekti, leasing is an agreement in which one party binds himself to give the other party the enjoyment of an item, for a certain time and with the payment of a price that the latter party is willing to pay (Soebekti, 1995).

In the era of globalization, there is quite tight competition between banks as opportunities open up to establish banks or open bank branches across national borders, including in Indonesia. Therefore, banks must be managed really well so that the bank develops and has high competitiveness with other banks. One important factor that influences bank management so that the bank can progress and develop is the form of the bank's legal entity (Cahyaningrum, 2017).

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The role of law in the era of economic globalization and free trade is very important in order to regulate economic mechanisms. Legal products in the form of regulations and legal provisions in their implications are always challenged to be able to accommodate the pressures of globalization. From an economic perspective, a legal product that is able to accommodate means a product that is progressive, effective, works efficiently, and is responsive to developments and demands of the times. From a legal perspective, the implications of the formation and effectiveness of the implementation of statutory regulations are always questioned, for example there must be rules, or the rules must be prospective and not retrospective, then the rules must be published or the rules must be understandable and for example the regulations must not be contradictory (Urfitriyani, 2021).

Banks are known as financial institutions whose main activity is accepting savings from the public in the form of Current Accounts, Savings and Deposits. Then banks are also known as places to borrow money (credit) for people who need them, for example for additional capital. Apart from that, banks are also known as places to exchange money, send money or receive all kinds of payments and deposits such as payments for electricity, telephone, water, land and building taxes, tuition fees, salaries and other payments. So that people want to save their money in banks, banks provide incentives in the form of remuneration that will be given to those who save funds. The term remuneration can be in the form of interest (rent), profit sharing, gifts, services or other remuneration. The higher the remuneration provided, There will be greater public interest in saving their money in banks. Therefore, banks must provide various stimuli, trust and excellent (friendly) service, so that people are increasingly interested in saving their funds in banks. One of them is a deposit with a minimum term of 7 days and a maximum of less than one month. Issued in his name and usually in large amounts, for example 50 million rupiah. Interest is disbursed when the on call deposit is disbursed 3 days before the customer is calculated on a monthly basis and usually negotiations are carried out between the customer and the bank to determine the interest. so that people are increasingly interested in saving their funds in banks.

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Apart from collecting customer funds, one of the Bank's side businesses is offering/providing services to the public. This has been done a long time ago. One of the offerings/services provided to the public is the Safe Deposit Box. Safe Deposit Box is one of the bank's service systems to the public, in the form of renting out boxes of a certain size to store valuables for a certain period of time and customers keep the key to the safe box themselves (Suyatno, 1990).

The birth of Law no. 7 of 1992 provided a new direction for the world of national banking. This is if you look at it from the side of bank credit guarantees. If in Law no. 14 of 1967 shows that Indonesian banking is very collateral oriented because it is explicitly stated in Article 24 that commercial banks do not provide credit without guarantee. In Law no. 7 of 1992 this provision was not found. However, as can be seen in the explanation of Article 8 of the Law, namely: In granting credit, commercial banks are required to have confidence in the

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debtor's ability and capacity to pay off his debt by the money agreed. This is because in providing credit related to a degree of risk, the bank will try to take credit security measures that are technical, meaning they are carried out using intensive techniques and methods (Sinungan, 1992).

Depositors Who Make Bank Transitions to Banking Stability in the Face of Inflation

Banks as the main institutions in the financial sector, are expected to maintain public trust in the savings invested in them. Considering that these tasks have different characteristics from one to another, regulation of the national banking industry is vital to maintain a balance between the above tasks. In this case, the role of Bank Indonesia and the Financial Services Authority as national banking authorities in the country is very strategic. Therefore, according to Shelagh Heffernan, banks are one of the highest regulators because bank failure will result in high social costs in the form of the loss of the bank's role as an intermediation and transmission institution in the payment system ((Sinungan, 1992). A bank is a legal business entity that operates in the financial services sector. A bank as a legal entity means that it is a legal subject, which means it can bind itself to third parties (Sembiring, 2000).

Apart from the term financial institution, the term financing institution is also known, namely: a business entity that carries out financing activities in the form of providing funds or capital goods without withdrawing funds directly from the public (Muhammad, 2004). Financial institutions, like any institution or institution, are essentially located and exist in the midst of society. An institution which is an organ of society is something whose existence is to fulfill social tasks and special needs of society. Various types of institutions exist and are known in society, each of which has its own duties in accordance with the aims and objectives of each institution concerned (Hartono, 2001).

Banking institutions are the core of every country's financial system. A bank is a banking institution that is a place for individuals, private business entities, state-owned companies, and even government institutions to store their funds. Banks serve financing needs through credit activities and various services provided and streamline payment system mechanisms for all economic sectors. Moreover, seeing the enormous risks that could occur if public confidence in banks declines, it is not an exaggeration that efforts to protect the public or bank customers, in particular, need attention because the meaning of customers in banking institutions is significant.

Customers are like the breath that significantly influences the continuity of a bank. So a bank must be able to maintain the trust of its customers. Because the essence of trust is belief, where this belief arises because both parties believe that they will be trustworthy, have high integrity, consistent, competent, fair, responsible, helpful, and other positive characteristics, banking institutions must be able to be trusted. Also, because customer satisfaction is determined by the quality of the products and services customers want, so quality assurance is a top priority for banks. For customer satisfaction with services, two main things are closely related, namely, customer expectations of service quality (expected quality) and customer perceptions of service quality (perceived quality). Because the essence of trust is belief, where this belief arises because both parties believe that they will be trustworthy, have high integrity, consistent, competent, fair, responsible, helpful, and other positive characteristics, banking institutions must be able to be trusted. Also, because customer satisfaction is determined by the quality of the products and services customers want, so quality assurance is a top priority for banks. For customer satisfaction with services, two main things are closely related, namely, customer expectations of service quality (expected quality) and customer perceptions of service quality (perceived quality). Because the essence of trust is belief, where this belief arises because both parties believe that they will be trustworthy, have high integrity, consistent, competent, fair, responsible, helpful and other positive characteristics, therefore banking

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According to Pardede, a bank is a financial institution that is a place where people store their funds based solely on the belief that their money will be recovered in time and accompanied by a reward in the form of interest. This means that the existence of a bank depends on the trust of the community. The higher the trust (, the higher the public's awareness of saving their money in the bank and using other services from the bank. Maintaining the level of trust in banks, apart from depending on the expertise of their managers (bank administrators), also depends on their integrity, realizing this (Padede, 2009). According to Subekti, quoted from his book Neni Sri Imaniyati, deposits are one of the ideal collateral categories in a credit agreement: 1. Can easily help obtain credit from parties who need it. 2. Not bringing down, degrading, or weakening the position (strength) of credit customers to continue their business. 3. Providing clarity to creditors or you could say, for example, if it is needed, it is easy for the collateral to be cashed in to pay off the debt to the debtor (Imaniyati, 2010).

The concept of economic analysis of law begins with the foundation of utilitarianism built by Jeremy Bentham, emphasizing the principle of utility as a doctrine of legal science. This thinking is a middle way when the law is faced with two opposing ideas, namely justice and legal certainty. The felicific calculus theory developed by Jeremy Bentham predicts community satisfaction and emphasizes the misery of implementing a legal provision. The consequences of the enactment of a legal provision give rise to a widely visible reaction so that it can be found that the results of the enactment of the legal provision have an impact on improvement (good/pleasure) or even misery (Sugianti, 2003).

Usman (2012) also said the same thing apart from going through court (litigation), dispute resolution can also be resolved outside of court (non-litigation), which is commonly called Alternative Dispute Resolution (ADR). From the above, we can see that litigation is the resolution of disputes between parties before the court (Usman, 2012).

The deposit interest rate greatly influences the credit interest rate. The greater or more expensive the interest on savings, the greater or more expensive the interest on loans and vice versa; The smaller or cheaper the savings interest, the smaller or cheaper the loan interest. Apart from deposit interest rates, the size of the loan interest is also influenced by the bank's profits, operational costs incurred, credit terms, bad credit risk reserves, taxes and other influences. So it can be concluded that the activities of collecting funds (funding) and distributing funds (lending) are the main activities of banking (Usman, 2013).

The majority of banks currently developing in Indonesia are banks that are oriented towards conventional principles. This cannot be separated from the history of the Indonesian

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nation where the origins of banking in Indonesia were brought by the Dutch colonial government. In seeking profits and determining prices for its customers, it uses two methods: 1. Setting interest as the price, both for savings products (current accounts, savings and deposits) and for loan products (credit), determined based on a specific interest rate. This price determination is known as spread-based. Suppose the deposit interest rate is higher than the loan interest rate. In that case, it is known that most banks currently developing in Indonesia are oriented towards conventional principles. This cannot be separated from the history of the Indonesian nation, where the Dutch colonial government brought the origins of banking in Indonesia. In seeking profits and determining prices for its customers, it uses two methods: 1. Setting interest as the price, both for savings products (current accounts, savings, and deposits) and for loan products (credit), determined based on a specific interest rate. This price determination is known as spread-based. If the deposit interest rate is higher than the loan interest rate, it is known as. and deposits) Moreover, loan (credit) products are determined based on specific interest rates. This price determination is known as spread-based. If the deposit interest rate is higher than the loan interest rate, it is known as. and deposits) Moreover, loan (credit) products are determined based on specific interest rates. This price determination is known as spread-based. If the deposit interest rate is higher than the loan interest rate, it is known as (Usman, 2012).

In general, dispute resolution in the business world, such as in trade, banking, mining projects, oil and gas, energy, infrastructure, and so on, is carried out through the litigation process. In the litigation process, the parties are at odds with each other, apart from that, dispute resolution through litigation is the ultimate means (ultimum remedium) after other alternative dispute resolutions have failed (Winarta, 2012).

A country's banking system influences the emergence of money laundering practices. This is because the most dominant instrument in the crime of money laundering is usually through or using the financial system. Banking is the most interesting primary tool used in money laundering, considering that banking is the financial institution that offers the most financial instruments. The use of banks in money laundering can take the form of: (a). Storing money from criminal acts under a false name; (b). Saving money in the bank as a deposit/savings/current account; (c). Exchanging denominations of money resulting from crime with other denominations that are larger or smaller; (d). Using the transfer facility. Carrying out fictitious information-export transactions using L/C by falsifying cooperation documents with related individuals f. Establishment/utilization of illegal banks (Setiadi, 2004).

The rapid development of the national and international economy creates several challenges for financial institutions. Likewise, with banking institutions. The strategic role of banking institutions, which have the main task of being a vehicle for collecting and distributing funds effectively and efficiently, requires continuous improvement in order to be able to have a comparative advantage. Banking institutions have very large functions and responsibilities, apart from having traditional functions, namely to collect and distribute public funds in the sense of acting as intermediaries for parties who have excess funds and shortages of funds, namely the financial intermediary function, and also function as a means of payment. As has been stated, Indonesian banking has a function that is directed as an agent of development, namely as an institution whose aim is to support the implementation of national development in the context of equitable development and its results, economic growth and national stability towards improving the standard of living of many people. It cannot be denied that development requires significant and sustainable funding. In terms of mobilizing public funds, the role of banking institutions cannot be ignored. Banks as institutions that work based on public trust, have a very strategic role and position in national development. As a public financial intermediary institution (financial intermediary) (Djumhana, 2004).

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The role of banking is as a collector and channeler of funds to society effectively and efficiently, based on economic democracy to support national development and lead to economic growth, national stability and increased living standards. Sentosa Sembiring in another section states that "Banks are financial institutions that serve as a forum for business entities, government institutions, the private sector and private individuals in addition to being a place to store funds and as a means of carrying out various financial transactions. Through these fund collection institutions, banks can channel the collected funds back to the community through credit legal institutions. Apart from the functions mentioned above, banks also provide various banking services needed by customers and the public in general (Sembiring, 2002).

Competition in the banking world often occurs when competing for savings funds, apart from promotional factors, the most important thing that banks must pay attention to is competing banks. In the sense that if the average deposit interest is 1% per month, then if you want to get funds quickly it would be best to increase the deposit interest above the competitors' interest, for example 1.25% per month. However, on the other hand, the loan interest rate must be below the interest rate of competing banks so that the funds available at the bank can be distributed to people who need additional capital to develop their business.

Depositors who transfer funds to other banks will certainly have an impact on fluctuating inflation percentages. So, it is hoped that in the business competition process, all banks can maintain a healthy cycle in order to maintain national economic stability by not making large offers to depositors to transfer funds to the bank in question.

4. Conclusion

Fund transfers made by depositors to other banks will of course have an impact on how much inflation fluctuates. In this way, it is hoped that all banks can maintain a healthy cycle in business competition in order to maintain national economic stability by not providing significant offers to depositors so that they are interested in transferring their deposits to the bank concerned.

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