Indonesia Chapter #111

Rational Choice Theory as a Philosophical Basis for Voluntary Disclosure of Anti-Fraud Policy

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ARTICLE INFORMATION

ABTRACT

The disclosure of anti-fraud policies by non-financial companies in Indonesia is still voluntary, unlike that of financial and banking companies that which are required to make such disclosures. In the context of voluntary disclosure of anti-fraud policies, rational choice theory assumes that companies will make disclosure if the benefits are perceived to outweigh the risks. However, in reality, non-economic motives additionally take a role in decisions pertaining to this disclosure, in addition to rational ones. This research criticizes the rational choice theory by exploring whether voluntary disclosure decisions by non-financial companies are genuinely rational or influenced by significant non-economic factors such as moral, cultural, and corporate image. This research provides a new perspective for non-financial companies in Indonesia to consider non-economic factors in decision-making regarding the disclosure of anti-fraud policies and to develop views in the philosophy of economics on the importance of social and moral factors in economic decision-making about transparency and accountability. This study concerns the economic rationality assumption in the voluntary disclosure of anti-fraud measures by non-financial enterprises in Indonesia, emphasizing the importance of social and organizational culture elements. The findings indicate that a purely rational approach may not always be effective, underlining the importance of integrating ethical ideals and economic philosophy to promote transparency motivated by moral principles rather than financial gain.

Keywords: Anti-Fraud Policy, Philosophy Critique, Voluntary Disclosure, Non-Financial Companies, Rational Choice Theory.

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1. INTRODUCTION

The rational choice theory assumes that individuals and organizations will always make decisions that maximize benefits and minimize losses based on logical and measurable analysis (Becker, 1968; Boudon, 2003; Krstić, 2022). In the context of voluntary disclosure of anti-fraud policies, this theory assumes that companies or organizations will make voluntary disclosures only if the benefits obtained outweigh the risks or costs incurred. However, in practice, the decision to voluntarily disclose anti-fraud policies is not always driven solely by rational considerations (Bejan, 1981). Other factors, such as social pressure, organizational culture, or even image, can play a significant role. This is where the critique of rational choice theory becomes relevant, especially in examining whether the decision to disclose anti-fraud policies is truly based on rational calculations or more driven by non-economic factors, and how moral, cultural, and image factors influence these decisions beyond economic rationality.

The philosophical approach of this research highlights voluntary disclosure from an economic policy perspective while also providing a deep critique of the rationality assumption underlying corporate decisions to disclose anti-fraud policies. This decision is often more complex than merely weighing the benefits and risks proposed by rational choice theory; however, moral, cultural, and image factors also influence this decision. This is suspected because the rational choice approach may be less relevant in the organizational culture in Indonesia, which is often based on social factors and collective values that differ from the individualistic values present in this theory (Agus, 2020; Wardhani et al., 2017; Wild & Wild, 2023).

Criticism of this rational choice theory will provide several important contributions. In the context of voluntary disclosure of anti-fraud policies, the decision is not always rational, especially in a culture heavily influenced by social and moral factors. This research can also provide a new perspective for organizations in Indonesia to consider non-economic factors in the disclosure of anti-fraud policies, thereby enhancing the quality of transparency and accountability. Furthermore, this research also contributes to the development of thought in the philosophy of economics regarding the important role of social and moral factors in economic decisions, and how this critique can redefine the basic assumptions of rationality in economics.

The second part of this research discusses the literature on rational choice theory, anti-fraud policy disclosure regulations, and criticisms of rational choice theory in decision-making. The third part discusses the research design of this study. The fourth part discusses the content analysis results to examine the disclosure of anti-fraud policies in a practical context within non-financial public companies in Indonesia, explaining the use of rational choice theory in decision-making for anti-fraud policy disclosure, the role of bounded rationality theory in anti-fraud policy disclosure decisions, and the main criticisms of rational choice theory in anti-fraud policy disclosure decisions. The fifth section of this research presents the conclusion, implications, limitations of this study, as well as suggestions for future research and recommendations for anti-fraud policies in Indonesia.

2. LITERATURE REVIEW AND HYPO-THESIS

Rational choice theory in economic decision-making with a cost-benefit analysis approach was first used to understand criminal behavior, which then became the basis for the development of rational choice theory in various social and economic fields (Becker, 1968). This theory assumes that behavior can be explained as a choice between alternatives, with preferences, beliefs, and constraints as the main determinants (Krstić, 2022). There are several criticisms of the rational choice

theory, especially from philosophers and economists (Simon, 1955, 1956) who emphasize that humans often do not act fully rationally, leading to the concept of bounded rationality, which posits that human decisions are often based on limited information and cognitive abilities. Another criticism of the rational choice theory is its limitation in explaining all aspects of human behavior because the model, based on the assumption that individuals always act rationally to maximize their personal interests, does not always reflect the complex reality (Krstić, 2022).

In the context of disclosing anti-fraud policies, it is greatly influenced by moral and ethical aspects that explain behavioral economics, which states that an individual can make biased decisions due to psychological factors or other non-economic factors (Kahneman & Tversky, 1984). Cushing is one of the psychological approaches that uses the general equilibrium framework to evaluate financial reporting (Bejan, 1981). This approach states that individuals choose not to use information if its use does not increase the expected utility. This approach emphasizes that an economic understanding of who is affected by public information and its effects is crucial for understanding the controversy of financial reporting; however, if the information is not used, it does not mean that individuals are not affected by public information.

Several non-financial companies in Indonesia have disclosed their anti-fraud policies. These companies have anti-fraud policies presented in their annual reports, although the content of these policies varies significantly. Some companies disclose them in detail, including their anti-fraud systems and strategies, while others do not. In the Circular Letter of the Financial Services Authority of the Republic of Indonesia Number 16/SEOJK.04/2021 (Circular Letter of the Financial Services

Authority of the Republic of Indonesia on the Form and Content of the Annual Report of Issuers or Public Companies, 2021) regarding the Form and Content of the Annual Report of Issuers or Public Companies and its annexes, the content of the annual report in terms of corporate governance, including the disclosure of anti-fraud policies, is not explicitly stated. Thus, issuing and public companies can disclose according to the considerations of their respective conditions.

The main objective of voluntary disclosure by companies is to reduce information asymmetry between managers and investors, thereby lowering the cost of capital (Lundholm & Van Winkle, 2006). This is a rational decision; however, the decision to voluntarily disclose anti-fraud policies is often influenced by factors beyond pure economic rationality and reflects the complexity of the business environment in Indonesia. In Indonesia, the collectivist culture is very strong. Companies may feel compelled to voluntarily disclose anti-fraud policies to demonstrate their commitment to these values, even though it may not provide direct economic benefits (Agus, 2020; Wardhani et al., 2017). Based on public perception, companies operating in highly scrutinized sectors, such as banking or the food industry, may feel the need to disclose anti-fraud policies to build trust and maintain their reputation in the eyes of consumers, even though the cost of disclosure is high (Wild & Wild, 2023).

Social pressure is also one of the non-economic factors that influence the disclosure of this anti-fraud policy. Pressure From Civil Society Groups, The Media, Or Non-Governmental Organizations Can Encourage Companies To Disclose Anti-Fraud Policies (Yuanita & Dewi, 2022). For example, companies involved in large projects that impact the environment or local communities may feel the need to be transparent in their policies to avoid criticism and protests.

3. METHODS

This research uses qualitative methods to conduct an in-depth and critical analysis of rational choice theory in the context of voluntary disclosure of anti-fraud policies. The techniques used are literature review and content analysis. The literature review and content analysis are conducted in this research to collect and analyze relevant literature and its content to understand and critique existing theories in real-world contexts. This content analysis uses best practices in disclosing anti-fraud policies in the annual reports of five major non-financial public companies in Indonesia, namely PT Delta Djakarta Tbk, PT Hanjaya Mandala Sampoerna Tbk, PT Astra Internasional Tbk, PT FKS Food Tbk, and PT Bayan Resources Tbk from 2022 to 2024. These five companies were chosen because they are public companies listed on the main development board, have the best whistleblowing systems, and meet four fraud reporting criteria: internal and external environmental conditions, business activity complexity, types of fraud, fraud-related risks, and the adequacy of the required resources.

This content analysis is conducted to determine whether the company's anti-fraud policy is related to transparency efforts or merely to avoid criticism and protests. A truly transparent company will clearly disclose its anti-fraud policy along with its reporting mechanisms and demonstrate a high commitment to managing fraud risk. This commitment can be seen in the company's transparency regarding its reporting system and the disclosure of its risk management. Annual reports from five companies are also used as the indicators of formal culture commitment because companies that repeatedly the detailed and relevant culture keywords in those annual reports show higher culture commitment. Unit analysis to coding is full sentences or paragraphs from the annual report, and we analyze the fundamental theme that we considered appeared. We calculated the frequency of keywords that appeared and considered before, such as "anti-fraud", "anti-corruption", "fraud", "whistleblowing","whistleblower", "accountability", "transparency", "integrity", "business ethics", "ethics", "code of conduct", and "risk management". After we knew the frequencies of the keywords, we used an ordinal scale (1-4) based on the detailed policy disclosure. Scale 1 (minimalist) if it only mentions the policy that exists; scale 2 (descriptive) if it mentions the policy's objective/purpose; scale 3 (procedural) if it explains the implementation procedures (e.g., the existence of a special committee); scale 4 (comprehensive) if it explains the procedures, program results, and evolution outcomes. Moreover, we used binary code to know whether the companies disclosure their anti-fraud policies with value or organizational culture. We code 1 if the policy is described as part of culture integrity or core company values, and code 0 if it is only described as compliance without a cultural link. In the final step, we used an ordinal scale (1-3) based on the details of the fraud reporting channel in the annual report. Scale 1 (minimalist) if it only mentions the existence of a channel; scale 2 (procedural) if it explains how to report the fraud; and scale 3 (comprehensive) if it explains how to report, guarantee of confidentiality, and protection of the whistleblower. Finally, we analyzed the results of the data and served it into descriptive data and interpreted it, and correlated the results with rational choice theory and ontology, epistemology, and axiology philosophy.

4. RESULTS AND DISCUSSION

The results of the content analysis of the annual reports of the five companies show that all five companies have adequately disclosed their anti-fraud policies. The first stage of the content analysis was conducted by counting the frequency of anti-fraud policies in the annual reports, the results of which can be seen in Table 1 below.

Table 1. **Frequency of Anti-Fraud Policies from Annual Report**

No	Companies	Word Frequency		
		2022	2023	2024
1	PT Hanjaya Mandala Sampoerna Tbk	213	265	334
2	PT FKS Food Tbk	182	181	211
3	PT Bayan Resources Tbk	145	157	165
4	PT Astra International Tbk	116	137	147
5	PT Delta Djakarta Tbk	83	54	60

Source: Data Processed

Table 2. **Detailed Anti-Fraud Policies Disclosure**

No	Companies	Detailed Anti-Fraud Policies Disclosure		
		2022	2023	2024
1	PT Hanjaya Mandala Sampoerna Tbk	4	4	4
2	PT FKS Food Tbk	4	4	4
3	PT Bayan Resources Tbk	4	4	4
4	PT Astra International Tbk	3	3	3
5	PT Delta Djakarta Tbk	3	3	3

Source: Data Processed

The keywords used to calculate how detailed a company discloses its anti-fraud policy are "anti-fraud", "anti-corruption", "fraud", "whistleblowing", "whistleblower", "accountability", "transparency", "integrity", "business ethics", "ethics", "code of conduct", and "risk management". The results of this calculation show that PT Hanjaya Mandala Sampoerna Tbk (Sampoerna) comprehensively discloses its anti-fraud policy, followed by PT FKS Food Tbk (FKS Food), PT Bayan Resources Tbk (Bayan), PT Astra International Tbk (Astra), and PT Delta Djakarta Tbk (Delta).

The frequency of these keywords is important for assessing the quality of disclosure made by companies in accordance with the regulations of the Financial Services Authority (OJK). All five companies have disclosed their anti-fraud policies in accordance with OJK regulations, but in practice, the disclosure of anti-fraud policies still varies. This is evidenced by the different frequency results for each keyword across companies each year. Additionally, in this content analysis, we quantified several cultural terms present in an organization, namely "transparency" and "integrity." Companies that repeat this cultural keyword indicate a higher level of cultural commitment or demonstrate cultural emphasis. Of the five companies, two, Sampoerna and FKS Food, have a high frequency for both keywords, suggesting that these two companies have a high level of organizational cultural commitment. In the second stage, we qualitatively analyzed the implementation of the anti-fraud policy disclosure for the five companies shown in Table 2 below.

The results of the content analysis show that Sampoerna, FKS Food, and Bayan have a scale of 4, which means they have comprehensive anti-fraud policy disclosures. This result indicates that the three companies not only explain the objectives of their anti-fraud policies but also describe the anti-fraud procedures, program outcomes, and evaluation of the policy's results. As for the other two companies, Astra and Delta, they have a scale of 3, which means that both companies still disclose their anti-fraud policies procedurally, such as explaining the purpose and objectives of the policy

and the program's procedures, including an explanation of the committee or department that handles fraud, but they have not yet explained the evaluation of outcomes.

We also assess the anti-fraud policy in relation to cultural values. This research only focuses on the company's desired culture or the formal culture that the organization seeks to establish through the ethical values instilled by the company. The results show that all five companies have linked their organizational culture to their anti-fraud policy disclosures. This is demonstrated by the disclosure of a code of conduct that explains the organization's core cultural values, which are also instilled in the creation of anti-fraud policies. Based on the frequency of the cultural value keywords, the five companies have different patterns of cultural disclosure. This indicates that these differences reflect the cultural uniqueness within the organization in responding to the same external pressures. Additionally, these results also indicate that ethical and cultural values are important factors in companies' decisions to disclose their anti-fraud policies. Table 3 below shows detailed disclosures related to the fraud reporting channels outlined in the organization's anti-fraud policy.

Three companies, Sampoerna, FKS Food, and Bayan, have a scale of 3, which means that the disclosure of fraud reporting channels is clearly and comprehensively stated in their anti-fraud policies. The information disclosed includes the type of complaint platform, how to file a complaint, confidentiality guarantees, and protection for whistleblowers. Delta has a score of 2, meaning the company's disclosure regarding fraud reporting channels is still procedural or only explains how to report, but is unclear about confidentiality and protection for whistleblowers. Astra, on the other hand, has a score of 1, which is lower than Delta. This indicates that Astra is still minimal in explaining its fraud reporting channels and has not disclosed whistleblower protection.

DISCUSSION
Is the Voluntary Disclosure of Anti-Fraud Policies Really Rational?
The decision to disclose an anti-fraud policy that is analyzed through the principles of rational choice theory states that individuals or organizations make decisions based on a cost-benefit calculation to maximize their advantages. From an economic perspective, the main benefits include an increase in reputation and trust from stakeholders, as well as a reduction in legal and financial risks (Krstić, 2022). However, the economic costs that must be considered include the costs of policy implementation and the potential for negative disclosures that could damage the company's image in the short term (Hombach & Sellhorn, 2018). Additionally, non-economic factors such as commitment to ethics and company values, as well as social and regulatory pressures, also play an important role in this decision. Overall, the decision to disclose anti-fraud policies often involves a combination of considerations of economic benefits

Table 3. **Detailed Fraud Reporting Channel**

No	Companies	Detailed Fraud Reporting Channel		
		2022	2023	2024
1	PT Hanjaya Mandala Sampoerna Tbk	3	3	3
2	PT FKS Food Tbk	3	3	3
3	PT Bayan Resources Tbk	3	3	3
4	PT Astra International Tbk	1	1	1
5	PT Delta Djakarta Tbk	2	2	2

Source: Data Processed

and costs as well as other non-economic factors. Companies that successfully balance these two aspects tend to be more effective in implementing transparent and credible anti-fraud policies. However, not all companies succeed in balancing these two aspects.

There are several indications that the company has good transparency in its anti-fraud policies (Efunniyi et al., 2024; Lee & Fargher, 2013). First, clear disclosure of the anti-fraud policy. The company communicates its anti-fraud policy to all stakeholders, including employees, investors, and the public, transparently, and the policy is available in official documents such as annual reports or sustainability reports. Based on the content analysis results of the annual reports of PT Hanjaya Mandala Sampoerna Tbk (Sampoerna) and PT FKS Food Tbk (FKS), which are companies in the food and beverage industry, their annual reports clearly disclose their anti-fraud policies. These two companies even included the formal regulation numbers related to their anti-fraud and anti-corruption policies in the corporate governance section of their annual reports. The other three companies, namely PT Bayan Resources Tbk (Bayan), PT Astra International Tbk (Astra), and PT Delta Djakarta Tbk, have also disclosed their anti-fraud policies but did not include their regulation numbers. The explanation of the anti-fraud mechanisms in the five companies has been systematically detailed, including procedures, responsible parties, and reporting channels. In fact, Delta, Sampoerna, and Astra have disclosed these reporting systems through their websites and dedicated platforms. This shows that Delta, Sampoerna, and Astra have good practices in communicating their anti-fraud policies to stakeholders.

Second, the company has an internal audit and regularly hires external audit services to ensure compliance with anti-fraud policies, and the audit results are published and accessible to stakeholders. Based on content analysis, these five companies have disclosed the use of external auditor services, as well as having internal auditors within their companies. The disclosures made by these five companies also include divisions, mechanisms for selecting external auditors, and the structure of the audit department within the company. This disclosure is included in the corporate governance section of the annual report. The results of both internal audits and external auditor opinions on the company's financial statements have also been disclosed by these five companies in the annual report and the independent auditor's report.

Third, all five analyzed companies have demonstrated effective reporting and oversight disclosures within their organizations. This was conveyed by the companies in the corporate governance section. The existence of a reporting mechanism, known as a whistleblowing system, allows employees and other parties to report suspected fraud without fear of retaliation, as well as a strong oversight system to monitor and evaluate the effectiveness of anti-fraud policies. Of these five companies, only Astra, FKS, and Sampoerna provided more detailed explanations about the forms of fraud that have occurred and the effectiveness of their audit departments in detecting and preventing fraud, while Bayan and Delta did not explicitly disclose this information.

Fourth, the transparency of this anti-fraud policy is marked by clear support and commitment from top management in implementing the anti-fraud policy. Management is actively involved in the supervision and enforcement of the policy. Based on the analysis results, all top management of these five companies have clearly stated in the corporate governance section that management will act with integrity and avoid all forms of fraud. Even Sampoerna and Astra disclosed their anti-corruption activities in their annual reports, such as the socialization of the anti-fraud platform Speak Up owned by Sampoerna.

Fifth, the company needs to present financial statements transparently and in accordance with applicable accounting standards, disclose relevant and significant information related to fraud risk, and the steps to mitigate it. In the annual reports of all companies, specifically in the corporate governance section, fraud risk and risk management activities have been clearly disclosed. The companies with the most detailed and clear risk management disclosures are Sampoerna, FKS, and Astra. The risk management disclosed is not just the procedures carried out by the company, but also the activities or efforts made by the company in managing its risks.

Sixth, ongoing education and training programs to raise employee awareness about anti-fraud policies and the importance of transparency are another indicator of the company's transparency. In the annual report, all companies disclosed education and training, except for Delta. The education and training disclosed here are related to risk management and anti-fraud. Based on the analysis in the company's annual report, the education and training conducted vary greatly, from top management levels to staff levels. FKS and Sampoerna provide internal audit training to their employees in the audit department and offer their management the opportunity to obtain internal auditor certification. However, FKS explained that the education and training that were supposed to be held regularly in the disclosure year were postponed due to other priorities related to the company's operations. Sampoerna also provides anti-bribery and anti-corruption training through their fraud reporting platform "Speak Up," and it is ongoing for employees. Even Sampoerna creates training and ethics training tables for its management and employees in a detailed tabular form. The same is done by Astra, which also details its education and training in a detailed tabular form. At Astra, training on the detection,

prevention, and identification of financial statement fraud, as well as information technology security, is also provided to the company's audit committee and audit department, whereas Bayan only provides training on risk management in the operations department, with its main priority being education and training on occupational safety in all departments.

Based on the results of the content analysis, it can be concluded that in companies within the food, mining, and manufacturing industries, the disclosure of anti-fraud policies has been carried out and appears rational, but may not be fully effective. In the disclosure of priority work programs and management strategies in the Management Report, Delta and FKS revealed that the priority programs related to operational improvements are not related to risk management. Even the programs and strategies are more directed towards sustainability and environmental programs. Thus, the disclosure of anti-fraud policies by these two companies has not been fully effective because there are no specific strategies or programs related to anti-corruption, despite the existence of fraud reporting systems they possess.

This is different from Sampoerna and Astra. Both companies, in disclosing their management strategies, clearly state that the anti-fraud program is one of the priority programs undertaken by the company, and the program is even documented with records of the anti-fraud activities that have been carried out. This indicates that Sampoerna and Astra have effectively communicated their awareness and commitment to fraud to stakeholders and have taken concrete actions towards the commitments they have conveyed.

Unlike the other four companies, Bayan also pays attention to the need for risk management and anti-fraud measures, but their concrete actions are more directed towards their priority program, which is the effort to improve workplace safety. Therefore, Bayan is indicated to be less effective in disclosing its anti-fraud policy.

The Impact of Bounded Rationality on the Rationality of Anti-Fraud Policy Disclosure

Bounded rationality describes a situation where decision-making is influenced by limitations in information, cognitive limitations, and the time available to make decisions (Han & Li, 2024; Simon, 1955, 1956). In the context of anti-fraud policy disclosure, bounded rationality can lead non-financial companies in Indonesia to make decisions without considering all long-term consequences or impacts on public trust.

Information limitations mean that the company may not have access to or be able to process all relevant data to make fully rational decisions. Cognitive biases, such as overconfidence or confirmation bias, can affect management's judgment, making them more likely to overlook risks or negative impacts of non-transparent policies (Cohee & Barnhart, 2024). Additionally, the pressure to make quick decisions often leads to the use of heuristics or rules of thumb that can simplify the decision-making process but may not always yield optimal results (Ahmad et al., 2020). For example, the company might choose not to fully disclose its anti-fraud policy to avoid short-term costs or negative market reactions, even though this could damage public trust in the long run.

Overall, bounded rationality shows that decisions regarding the disclosure of anti-fraud policies are often influenced by information limitations and cognitive biases, which can result in decisions that do not fully consider all long-term consequences or impacts on public trust.

The Impact of Indonesian Collectivist Culture on the Rationality of Anti-Fraud Policy Disclosure

The collectivist culture in Indonesia, which emphasizes the importance of social relationships, community, and collective reputation, can influence decisions related to the disclosure of anti-fraud policies in various ways. In a collectivist culture, decisions are often made with consideration of their impact on the larger group or community, not just individuals. Therefore, companies may be more inclined to disclose anti-fraud policies to maintain a collective reputation and ensure support and trust from the community and stakeholders.

This collectivist culture is also reflected in organizational culture. Organizations that adopt collectivist values tend to emphasize cooperation, loyalty, and the common good over individual interests (Agus, 2020; Wardhani et al., 2017). This can encourage companies to be more transparent in their policies, including anti-fraud policies, as a way to demonstrate commitment to collective values and maintain harmony within the organization.

On the other hand, the rational choice perspective is more individualistic and focuses on personal or organizational utility. The rational choice theory assumes that individuals or organizations make decisions based on rational calculations to maximize their own profits or utility (Krstić et al., 2006; Simon, 1955, 1956). In this context, decisions are made by considering the benefits and costs that are most advantageous to the individual or organization, without paying much attention to the broader social or community impact.

Philosophical Perspectives of Rational Choice Theory in the Context of Voluntary Disclosure of Anti-Fraud Policies

The theory of rational choice in the context of voluntary disclosure of anti-fraud policies can be viewed from three philosophical perspectives: ontology, epistemology, and axiology. These three perspectives will be elaborated based on the voluntary disclosures made by the five sampled companies.

First, ontologically, rational choice theory assumes that individuals are rational agents who make decisions based on cost-benefit calculations (Erbuga, 2020; Nagin & Paternoster, 2017). The voluntary disclosure policy of anti-fraud measures is related to the nature and existence of

the policy itself. In this perspective, it includes questions about what is actually meant by voluntary disclosure and how this policy exists within the context of the company's operations. This policy refers to the efforts made by the company to create transparency and accountability, thereby strengthening the integrity of its organization. This means that the company or individuals within the company will disclose information if they assess that the benefits outweigh the costs. For example, with disclosure, companies may have a high probability of obtaining reduced penalties or improved reputation, or the risks involved. However, there is criticism of this ontological perspective. This perspective may argue that the assumption of rationality is too simplistic and does not always reflect the complex reality of human and organizational behavior. For example, in this context, all companies disclose their anti-fraud policy to avoid harsher penalties. If there is fear of negative impact on reputation and internal pressure against the disclosure, the company will choose not to disclose it even though it is rationally advantageous.

Second, from the epistemological perspective of rational choice theory, it focuses on how knowledge about rational decisions is obtained and validated (Dickson, 2006; MacDonald, 2003). In the context of voluntary disclosure of anti-fraud policies, the discussion revolves around the sources and validity of knowledge obtained through voluntary disclosure. The question that arises is how the disclosed anti-fraud policy information can be trusted and verified. This also includes how the company collects, stores, and analyzes data to detect and prevent fraud from occurring. Anti-fraud policies will emphasize the importance of reliable reporting systems and strong verification mechanisms to ensure that the disclosed information is accurate and trustworthy. Criticism of this epistemological perspective highlights that the data and information used can be biased or incomplete, making the decisions taken potentially not fully rational or optimal. For example, Delta discloses fewer fraud figures than what actually happened due to pressure from management, then the decisions made will be suboptimal because employees fear the negative consequences of reporting the fraud, resulting in the available data not reflecting the actual situation. This will reduce the benefits of disclosure information and increase bias in disclosures that affect financial statement users.

Third, from an axiological perspective, rational choice theory evaluates actions based on the values and outcomes produced (Boudon, 1998, 2003). In the context of voluntary disclosure of anti-fraud policies, the values and ethics underlying the voluntary disclosure policy will be highlighted. This includes whether the disclosure of the anti-fraud policy maximizes benefits and has an ethical impact or minimizes losses for all parties involved. Voluntary disclosure can be seen as an action that supports the values of honesty, transparency, and social responsibility. There is criticism of this perspective, stating that this anti-fraud policy could be exploited for image-building or to avoid heavier legal responsibilities. For example, Sampoerna launched an anti-fraud campaign including employee training, disclosure of the company's commitment to integrity, and the implementation of whistleblowing policies. However, behind this campaign, the company is actually facing a fraud case that has not been disclosed to the public. This campaign is used as a means to build a positive image in the eyes of the public and investors, rather than as a substantive effort to address the existing fraud issues. As a result, although it appears proactive, the company may not be genuinely committed to effectively addressing fraud.

Based on these three perspectives, the question arises whether the theory of rational choice is still relevant or needs to be redefined in the context of voluntary disclosure of anti-fraud policies. Based on these three perspectives, the question

arises whether the rational choice theory is still relevant or needs to be redefined in the context of voluntary disclosure of anti-fraud policies.

The adjustment of theory also includes the improvement of the quality and reliability of the data used in this context. In order to make more rational decisions, companies need to ensure that the data used is accurate, complete, and free from bias. The methods that can be implemented include investing in better reporting systems, stricter internal audits, and the use of technology to detect fraud (Azaria et al., 2011). In addition to data collection, in-depth and comprehensive data analysis is also crucial in making disclosures. The use of data analytics tools and artificial intelligence to identify patterns and trends in fraud also serves as a good alternative that companies can utilize to enhance the accuracy of the data used. TheThe ability or sophistication of investors in interpreting accounting information affects the company's disclosure decisions (Indjejikian, 1991).

This theory also requires the integration of broader ethical values in the assessment of actions. Rational choice theory needs to integrate ethical values in the decision-making process (Lumer, 2010; McClennen, 2010). This means considering the ethical impact of decisions, not just the financial benefits. The decisions made must also consider the company's social responsibility towards stakeholders.

5. CONCLUSION

This research questions the validity of the economic rationality assumption in voluntary disclosure decisions of anti-fraud policies, particularly in non-financial companies in Indonesia, where social and organizational cultural factors play an important role. This research can also demonstrate that a purely rational approach may not always be effective or appropriate in certain economic contexts, thereby highlighting the importance of a more ethical and integrated approach.

Thus, the philosophy of economics and ethics can be used to promote transparency driven by moral values, not just by economic profit alone.

This research has several limitations. This research did not conduct direct interviews with the management of five non-financial companies in Indonesia, so the case studies carried out in this research were limited to content analysis of disclosures in annual reports and news from the media. This can still introduce bias in drawing conclusions, especially in the case study review section. Data interpretation has a high level of subjectivity because it is influenced by the researcher's perspective. The results of this study may not be generalizable to broader contexts, which could reduce the relevance of the findings for policies in different places or times. The content analysis used in this study cannot capture the practical implementation or organizational culture truly experienced by employees, but it remains valid for understanding the desired or formal culture and measuring cultural commitment within an organization.

Subsequent research can conduct in-depth interviews or focus group discussions with the company's management to obtain better results in understanding the actual perspective of the internal parties of the company. To enhance validity, future research can employ a multi-researcher approach to analyze the data and ensure that interpretations are discussed and validated by multiple parties, thereby helping to reduce the high subjectivity of this study.

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