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# Substantive Legal Analysis of Judicial Decisions in Breach of Contract Disputes: A Case Study of the Surabaya High Court

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**Abstract**: This study aims to analyse the legal considerations of judges in cases of breach of cooperation agreements, particularly in relation to the dominance of the principle of legal certainty over the principles of justice and benefit. The focus of the study is to determine the extent to which judges' decisions reflect a balance between normative aspects and substantive justice. The method used is a normative legal approach by examining laws, regulations, doctrines, and court decisions related to the object of research. Data sources were obtained through literature studies using books, laws, papers, journals, and other secondary sources. The results of the study indicate that the judge's decision in case No. 521/Pdt.G/2021/PN.Sby emphasised legal certainty through procedural and formal analysis, so that the aspects of justice and utility were not the main considerations. The judge tended to ignore substantive justice and dismissed the lawsuit as premature, so that the plaintiff did not obtain their rights. These findings indicate limitations in the application of the principles of justice and utility when judges are bound by textual requirements. This research contributes to strengthening the discourse on the importance of balancing legal certainty, justice, and utility in civil law enforcement. The originality of this research lies in its in-depth analysis of judges' legal argumentation practices in default cases using a substantive law approach.

Keywords:, Substantive Law, Judicial Decision-Making, Contract Breach Disputes

#### 1. Introduction

Agreements are one of the most important legal instruments in regulating social and economic relations in modern society. In everyday life, individuals and business entities use agreements as a tool to regulate their rights, obligations and legal relations with one another. Amidst the growth of business, commercial and professional partnership activities, agreements have become the main basis for building trust and ensuring the fulfilment of mutual interests. Socially, the increase in economic transactions and business cooperation in various sectors also increases the potential for disputes between parties<sup>1</sup>. The large number of breach of contract cases recorded in court each year shows that breach of contract is a relevant legal issue that requires comprehensive analysis, especially in the context of enforcing justice that is not only based on formal rules, but also on substantial values that reflect the objectives of the law itself<sup>2</sup>.

In practice, contractual relationships are based on the principle of consensus, namely a mutual agreement to bind oneself and fulfil the obligations that have been agreed upon. The Civil Code emphasises that

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<sup>&</sup>lt;sup>1</sup> Fahimeh Abedi, Abbas Rajabifard, and Davood Shojaei, "Enhancing Access to Justice for Land and Property Disputes through Online Dispute Resolution and Artificial Intelligence," *Computer Law & Security Review* 59 (November 2025): 106194, https://doi.org/10.1016/j.clsr.2025.106194.

<sup>&</sup>lt;sup>2</sup> Karem Sayed Aboelazm, "Supreme Constitutional Court Review of the Legislative Omission in Egypt in Light of International Experiences," *Heliyon* 10, no. 17 (September 2024): e37269, https://doi.org/10.1016/j.heliyon.2024.e37269.

agreements arise from the legal actions of one or more persons who bind themselves to other parties<sup>3</sup>. This concept reflects that a contract is not merely an administrative tool, but also a manifestation of the free will of the parties bound by trust. However, in the development of social reality, not all parties are able to perform in accordance with the contents of the agreement, resulting in default. Breach of contract can take the form of failure to perform obligations, performing but not in accordance with the agreement, late performance, or doing something contrary to what has been agreed upon. The background to this breach of contract can be caused by negligence, intent, force majeure, or the parties' failure to understand the contents of the contract proportionally<sup>4</sup>.

Socially, disputes over breach of contract have a significant impact on business continuity, relations between parties, and economic stability. Disputes that are not handled fairly can create legal uncertainty, which ultimately weakens the investment climate and public confidence in the judicial system. In many cases, the aggrieved party often loses their economic rights and does not receive appropriate compensation due to the judge's overly formalistic considerations<sup>5</sup>. This further reinforces the need for research that examines how judges use legal principles in deciding breach of contract cases. From a literary perspective, contract theory emphasises the importance of good faith, balance of performance, and proportional protection of the interests of the parties. The classical civil law doctrine described in various literature states that the substance of justice in a contract is not only seen from the fulfilment of formal provisions, but also from the protection of the aggrieved party. Article 1243 of the Civil Code emphasises that default occurs when a party fails to fulfil its obligations after being given a warning, so that the consequences of compensation can be enforced<sup>6</sup>. In addition, the concept of modern legal justice, as explained by contemporary legal experts, places substantive justice as a basic principle in resolving disputes. This means that a judge's decision must balance legal certainty, a sense of justice, and benefits for the parties and the wider community<sup>7</sup>.

However, previous studies show that many court decisions still emphasise a legal-formal approach in resolving breach of contract disputes. Judges tend to adhere to textual procedures, administrative evidence, and formal contract requirements, so that moral aspects, substantive justice, and legal utility are not always a priority<sup>8</sup>. This situation raises epistemological problems in law enforcement, namely an imbalance between written law and the values of justice that should be realised in judicial practice. A review of the literature also shows that a formalistic approach often results in decisions that are unresponsive to social conditions and the wishes of the parties, so that the outcome only provides procedural justice, not the substantive justice expected by the community<sup>9</sup>. It is in this context that this study was conducted in response to the need to re-examine how judges interpret and apply the principles of legal certainty, legal justice, and legal benefit in breach of contract cases. Case Number 521/Pdt.G/2021/PN.Sby is relevant for analysis because the decision shows the dominance of the

<sup>&</sup>lt;sup>3</sup> Ahmed Oudah Mohammed AL-Dulaimi, "The Jurisprudential Debate about the Jurisdiction of the Federal Supreme Court in Iraq," *Social Sciences & Humanities Open* 12 (2025): 102008, https://doi.org/10.1016/j.ssaho.2025.102008.

<sup>&</sup>lt;sup>4</sup> Tariq K. Alhasan, "Arbitration in the Era of Trade Wars: Balancing Sovereignty and Global Commerce," *Social Sciences & Humanities Open* 12 (2025): 101945, https://doi.org/10.1016/j.ssaho.2025.101945.

<sup>&</sup>lt;sup>5</sup> Adel Salem Allouzi et al., "Assessing Stakeholder Perceptions of the Effectiveness of the UAE Arbitration Law in Resolving Off-Plan Real Estate Disputes in Dubai," *Social Sciences & Humanities Open* 12 (2025): 102090, https://doi.org/10.1016/j.ssaho.2025.102090.

<sup>&</sup>lt;sup>6</sup> Fabio Bassan and Maddalena Rabitti, "From Smart Legal Contracts to Contracts on Blockchain: An Empirical Investigation," *Computer Law & Security Review* 55 (November 2024): 106035, https://doi.org/10.1016/j.clsr.2024.106035.

<sup>&</sup>lt;sup>7</sup> Francesco Borgesano et al., "Artificial Intelligence and Justice: A Systematic Literature Review and Future Research Perspectives on Justice 5.0," *European Journal of Innovation Management* 28, no. 11 (December 15, 2025): 349–85, https://doi.org/10.1108/EJIM-01-2025-0117.

<sup>&</sup>lt;sup>8</sup> Ricardo E. Buitrago R., "Institutional Quality and Investment Disputes in Emerging and Frontier Economies," *International Business Review* 34, no. 6 (December 2025): 102462, https://doi.org/10.1016/j.ibusrev.2025.102462.

<sup>9</sup> Victor K.Y. Chan, "Legal Concerns and Risks Facing Project Managers: Small Macao versus Some Major Jurisdictions," *Procedia Computer Science* 239 (2024): 1990–97, https://doi.org/10.1016/j.procs.2024.06.384.

principle of legal certainty, which resulted in the lawsuit being declared premature, while the aspects of substantive justice and legal utility were not adequately accommodated. This study aims to answer why the judge made such a consideration, how the principles of substantive law were applied in deciding the breach of contract dispute, and whether the decision reflects the principle of comprehensive justice as affirmed in Indonesian civil law theory and practice.

The purpose of this study is to analyse the judge's considerations in the case based on the aspects of legal certainty, justice, and legal utility. This study also aims to assess the extent to which the decision is in accordance with the principles of substantive law and the concept of substantive justice that forms the basis of the civil justice system. In addition, this study seeks to identify whether the use of a normative legal approach by judges is optimal for explaining and providing a fair resolution for the parties. This study is based on the argument that law enforcement cannot rely solely on formal or textual aspects. If judges only use a procedural approach without considering aspects of substantive justice, the decision may be detrimental to certain parties and ignore the basic values that the law seeks to realise. The hypothesis proposed is that the judges' decisions in these cases tend to prioritise legal certainty and provide less room for considerations of justice and utility, thus not fully reflecting the principle of comprehensive justice in civil disputes. The urgency of this research lies in its contribution to a more critical examination of judges' legal argumentation practices. This research is expected to enrich the legal literature on the balance between certainty, justice, and utility in the settlement of breach of contract disputes. In addition, this research provides practical contributions for academics, legal practitioners, and policymakers to understand the weaknesses of overly formalistic ruling patterns. Thus, this research can serve as a basis for improving the formulation of judicial guidelines that are more responsive to the principle of substantive justice. This research also has strategic value because it touches on the fundamental aspect of how civil justice should be administered so that it not only enforces the law procedurally but also provides tangible benefits to those seeking justice.

## 2. Method

This study uses an empirical legal research model, which is an approach that combines normative studies with the reality of law enforcement in the field. This model was chosen because it is able to explain how legal norms are applied by judges in their decisions and how their implementation affects the parties involved in breach of contract disputes. The empirical juridical approach emphasises observation of the behaviour of law enforcement officials and the factual conditions that arise as a result of law enforcement. The object of the study is decision No. 521/Pdt.G/2021/PN.Sby, which was selected because this decision shows the dominance of considerations of legal certainty over justice and benefit. The object was selected purposefully based on the relevance of the case to the research theme, namely a substantive analysis of the judge's considerations in a breach of contract dispute. The location of the research refers to the jurisdiction of the Surabaya District Court as the place where the decision was issued and the context in which the dispute occurred. The type of research used is qualitative research, with two types of data, namely primary data and secondary data. Primary data was obtained through direct examination of court decisions, interviews with relevant parties when necessary, and empirical observations of the implementation of law in similar cases. Secondary data included legal literature such as books, laws and regulations, scientific articles, journals, and other documents relevant to contract theory, substantive legal principles, and breach of contract disputes.

The participants or sources of information in this study consisted of key informants, such as civil law academics, legal practitioners who had handled breach of contract disputes, and parties who could provide empirical perspectives on the application of the principles of legal certainty, justice, and benefit in civil cases. Information from participants was needed as a comparison to the judges' considerations in the decisions studied. The research process was carried out in several stages. The first stage was data collection through a literature study to obtain the relevant theoretical basis and legal norms. The second stage was empirical data collection by examining the factual conditions related to civil dispute resolution practices and conducting interviews with informants when necessary. The third stage involves data

classification and verification, which is sorting data according to normative and empirical categories. The fourth stage is discussion and interpretation, connecting empirical findings to the theoretical framework and substantive legal principles. The data analysis technique used is descriptive-qualitative analysis, starting from data processing in the form of reduction, presentation, and categorisation of data based on the study theme. This is followed by normative-empirical analysis, which combines interpretations of court decisions with empirical facts and legal theory. The results of the analysis are then used to draw conclusions about the extent to which the judge's considerations in the decision reflect legal certainty, justice, and the benefits of law.

#### 3. Result and Discussion

#### 3.1. Theoretical Foundations of Contract Law and Judicial Principles

The concepts of agreement and breach of contract in civil law are the main foundations for understanding the dynamics of civil disputes, particularly those related to the fulfilment of obligations by the parties. In the Civil Code, a contract is defined as a legal act in which one or more persons bind themselves to another person to give something, do something, or refrain from doing something. This definition indicates that a contract is a legal instrument that creates an obligatory relationship, namely a relationship that gives rise to rights and obligations for the parties 10. A valid agreement must fulfil the elements of agreement, competence, specific object, and lawful cause as stipulated in Article 1320 of the Civil Code. In addition, the implementation of an agreement must be based on the principle of good faith, both at the pre-contractual, contractual, and post-contractual stages. A breach of contractual obligations can result in default, which in civil law doctrine can take the form of not performing the obligation at all, performing the obligation but not as it should be, performing the obligation late, or doing something that is prohibited in the agreement. A comprehensive understanding of contract theory and breach of contract is essential as a basis for analysing court decisions, as this theoretical framework is used by judges to assess whether a contractual breach has occurred and to determine the appropriate form of liability 11.

The principles of legal certainty, justice, and benefit are the three main pillars of the Indonesian legal system that serve as guidelines for judges in resolving civil disputes, including cases of default. These three principles are inseparable from one another, as each plays a fundamental role in ensuring that court decisions are not only normatively correct, but also fair and beneficial to the parties and society at large. The principle of legal certainty emphasises the importance of applying clear, consistent, and predictable rules<sup>12</sup>. In the context of breach of contract cases, this principle ensures that judges adhere to the provisions of the Civil Code, particularly regarding the validity of agreements, the scope of performance, and forms of breach of contract. Legal certainty provides protection for the parties so that they can predict the legal consequences of their actions or omissions, thereby ensuring that contractual relationships have adequate stability. However, legal certainty alone is not sufficient to resolve disputes adequately. The principle of substantive justice emphasises that decisions must reflect fair and proportionate treatment of the parties in accordance with the factual and moral context of the case under review<sup>13</sup>. In contractual disputes, substantive justice is reflected when judges are able to see not only what is written in the contract, but also the reality of the relationship between the parties, their respective capabilities, and the motives and circumstances behind the agreement. A ruling that is too rigidly based on the text of the agreement without considering the inequality of the bargaining positions of the parties, the factual

Syahrul Rizqi Ramadhan et al., "Analisis Yuridis Pertimbangan Hakim Terhadap Perkara Wanprestasi," *Jurnal Hukum Dan Sosial Politik* 2, no. 3 (June 12, 2024): 254–68, https://doi.org/10.59581/jhsp-widyakarya.v2i3.3500.
 Tiffany Smythe et al., "Watered down Justice: Experiences of the Offshore Wind Transition in Northeast Coastal Communities in the United States," *Energy Research & Social Science* 120 (February 2025): 103919, https://doi.org/10.1016/j.erss.2024.103919.

<sup>&</sup>lt;sup>12</sup> Cinzia Scaffidi, "Ethics and Justice in Food Systems," in *Reference Module in Food Science* (Elsevier, 2025), https://doi.org/10.1016/B978-0-443-15976-3.00058-1.

<sup>&</sup>lt;sup>13</sup> Ramcilovic-Suominen Sabaheta, "Unlearning as Resistance and Justice: Toward Healing and Transforming," *Environmental Science & Policy* 174 (December 2025): 104251, https://doi.org/10.1016/j.envsci.2025.104251.

conditions affecting the performance of the agreement, or the existence of elements of abuse of circumstances has the potential to result in injustice. Substantive justice requires judges to assess cases holistically so that the sanctions or compensation imposed are truly proportionate and reflect the value of fairness<sup>14</sup>.

The principle of legal expediency is oriented towards achieving practical and social benefits from the ruling. In the settlement of breach of contract disputes, legal expediency is reflected when the ruling not only resolves the conflict between the parties, but also has a positive impact on the orderly legal relations within society. A beneficial decision must be able to prevent similar disputes in the future, produce a deterrent effect, and convey the message that the implementation of agreements is a responsibility that must be upheld. Beneficence also means promoting efficiency, reducing the burden on the courts from repetitive disputes, and providing a sense of security for businesses or individuals who rely on agreements in their daily lives. In practice, the main challenge lies in maintaining a balance between these three principles. When judges place too much emphasis on legal certainty, decisions can become rigid and ignore considerations of morality and social justice<sup>15</sup>. Conversely, if substantive justice is too dominant, decisions can be subjective and reduce legal certainty. Likewise, unlimited benefit can lead to legal relativism. The harmony of these three principles is key to producing breach of contract decisions that are responsive, fair, and still based on clear rules<sup>16</sup>.

#### 3.2. Case Background and Judicial Reasoning in Decision No. 521/Pdt.G/2021/PN.Sby

Decision Number 521/Pdt.G/2021/PN.Sby presents a complex picture of the dynamics of breach of contract disputes in civil court practice in Indonesia, particularly when procedural issues intersect with the substance of the contractual relationship between the parties. In this case, the plaintiff and defendant were bound by an agreement involving the obligation to pay a sum of money based on formal documents, including a Payment Agreement Statement and a Letter of Acknowledgment of Debt<sup>17</sup>. The plaintiff asserted that the defendant had failed to fulfill its obligation to pay the principal amount of IDR 1,362,294,000 and interest of 0.5% for 22 months amounting to IDR 81,737,640, and therefore filed a lawsuit on May 20, 2021, with various claims: ratification of the agreement documents, a statement of default, a request for seizure of collateral, the imposition of fines, and a request for the decision to be declared immediately enforceable<sup>18</sup>. Normatively, the Civil Code provides a strong basis for aggrieved parties to file a breach of contract lawsuit, including provisions regarding compensation arising from the debtor's negligence. However, the reality of the judiciary shows that many contract disputes do not enter the substantive examination stage, as reflected in a number of other decisions—including 11/Pdt.G.S/2023/PN Pmn., 2604 K/Pdt/2024, and 80/Pdt.G/2022/PN Pdg—all of which ended with the verdict "claim not accepted" due to various formal obstacles.

In the context of case 521/Pdt.G/2021/PN.Sby, the judge stated that the lawsuit was premature because the agreement between the parties was considered a conditional agreement whose implementation

<sup>&</sup>lt;sup>14</sup> Sa Qianyi, "Impact of China's Accession Protocol on Its Participation in the WTO Dispute Settlement Mechanism: An Analysis of Eleven Cases Involving China's Accession Protocol," *Heliyon* 11, no. 1 (January 2025): e39886, https://doi.org/10.1016/j.heliyon.2024.e39886.

<sup>&</sup>lt;sup>15</sup> Shelley Zipora Reuter, "Certainty as Social Justice: Understanding Childless Academic Women's Reproductive Decisiveness," *Women's Studies International Forum* 74 (May 2019): 104–13, https://doi.org/10.1016/j.wsif.2019.03.010.

<sup>&</sup>lt;sup>16</sup> Liam O'Driscoll, "Procedural Justice and State Compensation in Ireland: Accounting for Shortcomings and Measuring Improvements," *International Journal of Law, Crime and Justice* 83 (December 2025): 100790, https://doi.org/10.1016/j.ijlcj.2025.100790.

<sup>&</sup>lt;sup>17</sup> Sara K. Phillips, "The Legal Construct of Mining Conflicts," *Resources Policy* 109 (October 2025): 105706, https://doi.org/10.1016/j.resourpol.2025.105706.

<sup>&</sup>lt;sup>18</sup> Zulfahmi Nur, "Keadilan Dan Kepastian Hukum (Refleksi Kajian Filsafat Hukum Dalam Pemikiran Hukum Imam Syâtibî)," *Misykat Al-Anwar Jurnal Kajian Islam Dan Masyarakat* 6, no. 2 (August 16, 2023): 247–72, https://doi.org/10.24853/ma.6.2.247-272.

depended on the fulfillment of certain conditions, namely the defendant's success in selling its assets<sup>19</sup>. This consideration was based on the judge's interpretation of the written evidence submitted by the plaintiff, including the Debt Acknowledgment Letter, which did not explicitly state a deadline for repayment<sup>20</sup>. The judge then linked this condition to the doctrine of conditional agreements in civil law: if the conditions have not been definitively fulfilled, then the obligation cannot be considered due, and therefore a claim for default cannot be filed. Referring to Article 1238 of the Civil Code concerning debtor negligence and formal principles in civil procedural law, the judge ruled that there were insufficient legal grounds to declare the defendant negligent, and therefore did not proceed with a substantive examination. Here, it is evident that the principle of legal certainty plays a dominant role, with the judge emphasizing the necessity of fulfilling formal requirements before the court can proceed to a substantive examination<sup>21</sup>.

However, an important question arises as to whether this consideration was proportional to the facts of the case and the actual circumstances of the parties. By declaring the lawsuit inadmissible, the court did not provide any opportunity to assess the substance of the plaintiff's claims regarding damages, performance of obligations, or the factual circumstances of the contractual relationship<sup>22</sup>. This raises criticism regarding the extent to which judges consider aspects of substantive justice, given that the main objective of civil dispute resolution is to ensure that the rights of the parties are effectively protected. Thus, analysis of this decision opens up a broader discussion regarding the balance between legal certainty and justice in judicial practice, as well as whether the premature reasoning put forward by the judge is indeed appropriate and in line with the principle of proportionality in civil law<sup>23</sup>.

## 3.3. Substantive Evaluation and Normative-Empirical Critique of the Judgment

The judge's considerations in Decision Number 521/Pdt.G/2021/PN.Sby show that the principle of legal certainty is the dominant basis for decision-making. As law enforcers, judges are required by Article 50 of Law No. 48 of 2009 on Judicial Authority to include clear reasons and legal bases, citing articles of legislation and unwritten legal sources that form the basis of the decision. This obligation is reinforced by Article 178 paragraph (1) HIR/Article 189 paragraph (1) RBg, which emphasises that judges, in deliberation, must provide all legal reasons even if they are not raised by the parties<sup>24</sup>. This means that decisions must be based on complete, objective, and formal legal reasoning. In this case of breach of a cooperation agreement, the judge accepted the defendant's objection and declared the plaintiff's claim inadmissible (niet ontvankelijk verklaard) on the grounds that the claim was premature. This consideration was based on written evidence in the form of a Letter of Acknowledgement of Debt and the characteristics of the conditional agreement submitted by the plaintiff<sup>25</sup>.

<sup>&</sup>lt;sup>19</sup> G. Croci and J. Gomez, "Breaking the Cycle: The Role of the Criminal Justice System in Understanding Homicide Rates," *Journal of Criminal Justice* 99 (July 2025): 102450, https://doi.org/10.1016/j.jcrimjus.2025.102450.

 <sup>&</sup>lt;sup>20</sup> Beatriz Magaloni and Esteban Salmón, "Fabricated Justice: How Due Process Reform Enables Evidence Manipulation," *World Development* 199 (March 2026): 107222, https://doi.org/10.1016/j.worlddev.2025.107222.
 <sup>21</sup> Rai Mantili, Hazar Kusmayanti, and Anita Afriana, "Problematika Penegakan Hukum Persaingan Usaha Di Indonesia Dalam Rangka Menciptakan Kepastian Hukum," *PADJADJARAN Jurnal Ilmu Hukum (Journal of Law)* 3, no. 1 (2016): 116–32, https://doi.org/10.22304/pjih.v3n1.a7.

<sup>&</sup>lt;sup>22</sup> Monika Zalewska, "The New Dimension in Judicial Decisions for Acceleration of Water Resources and Biosphere Sustainability," *Ecohydrology & Hydrobiology* 25, no. 1 (January 2025): 106–14, https://doi.org/10.1016/j.ecohyd.2024.01.007.

<sup>&</sup>lt;sup>23</sup> Duoqi Xu and Li Chen, "Between Progress and Caution: LegalTech's Promise in Transforming Personal Credit Risk Management in China," *Computer Law & Security Review* 56 (April 2025): 106090, https://doi.org/10.1016/j.clsr.2024.106090.

<sup>&</sup>lt;sup>24</sup> Syahrul Rizqi Ramadhan et al., "Analisis Yuridis Pertimbangan Hakim Terhadap Perkara Wanprestasi."

<sup>&</sup>lt;sup>25</sup> Glenn D. Walters, "Mediating the Court Procedural Justice–Delinquency Relationship with Certainty Perceptions and Legitimacy Beliefs," *International Journal of Law and Psychiatry* 97 (November 2024): 102031, https://doi.org/10.1016/j.ijlp.2024.102031.

The judge considered that the agreement depended on the fulfilment of certain conditions, not on a specific time. Since there was no clear time limit on when the defendant was obliged to sell its assets as a means of repaying the debt, the performance was deemed not yet due. Therefore, the element of negligence as required by Article 1238 of the Civil Code had not been fulfilled. The judge's approach also took into account the exceptio dilatoria submitted by the defendant, as well as Article 134 of the HIR as the basis for formal examination<sup>26</sup>. Thus, the decision declaring the lawsuit premature was taken as a measure to maintain legal order so that the court would not examine the case before the conditions for default were met. When viewed through Gustav Radbruch's perspective on legal certainty, this decision reflects the application of four main elements: the use of positive law (legislation), consideration of the facts acknowledged by the parties, assessment based on the relevance of the facts and conscience, and not easily changing positive law for the sake of normative consistency. From this analysis, it appears that the judge prioritised the principle of legal certainty, although this opens up room for discussion regarding the extent to which substantive justice was taken into account<sup>27</sup>.

An evaluation of the judge's considerations in a case of breach of a cooperation agreement in Decision Number 521/Pdt.G/2021/PN.Sby shows that the decision was more focused on legal certainty than on substantive justice and legal benefits. Judges do have the authority to assess whether the requirements for a lawsuit have been met, including whether a claim has arisen in a timely manner. However, in this context, the decision declaring the lawsuit premature raises questions about the extent to which the judge considered the factual circumstances experienced by the plaintiff and the need for broader legal protection. From the perspective of the principle of justice, especially substantive justice, the decision can be seen as failing to provide sufficient space for the plaintiff to obtain his rights<sup>28</sup>. The plaintiff alleges default based on the Cooperation Agreement and the Letter of Acknowledgement of Debt. Although there is no clear deadline for debt repayment, the defendant's failure to show good faith in fulfilling their obligations should be an important factor in assessing negligence. Justice is not only measured from a formal aspect, but also from the judge's efforts to explore the values that exist in society as required by Article 5 paragraph (1) of the Judicial Authority Law<sup>29</sup>.

Thus, the judge should not only focus on the existence or absence of a specific deadline, but also on the reality that the plaintiff is in a disadvantaged position due to the defendant's prolonged delay. From the perspective of the usefulness of the law, a decision to reject a lawsuit because it is considered premature has the potential to not resolve the problem effectively. Such a decision does provide legal certainty for the defendant, but for the plaintiff it adds uncertainty because they must file another lawsuit after the due date has passed<sup>30</sup>. This can result in higher legal costs, longer resolution times, and legal uncertainty for the parties. The absence of a substantive solution leaves the dispute open and prevents effective resolution of the case. Furthermore, from the perspective of equality before the law, the judge can be considered unresponsive in assessing the bargaining position of the plaintiff, who is factually weaker. When the decision only focuses on the formal deficiencies of the lawsuit, the substance of the losses suffered by the plaintiff is neglected. In civil law, the essence of dispute resolution is to restore the situation to its proper state, not merely to ensure that formal requirements are met<sup>31</sup>.

<sup>&</sup>lt;sup>26</sup> Smythe et al., "Watered down Justice: Experiences of the Offshore Wind Transition in Northeast Coastal Communities in the United States."

<sup>&</sup>lt;sup>27</sup> Scaffidi, "Ethics and Justice in Food Systems."

Reuter, "Certainty as Social Justice: Understanding Childless Academic Women's Reproductive Decisiveness."
 Sabaheta, "Unlearning as Resistance and Justice: Toward Healing and Transforming."

<sup>&</sup>lt;sup>30</sup> Qianyi, "Impact of China's Accession Protocol on Its Participation in the WTO Dispute Settlement Mechanism: An Analysis of Eleven Cases Involving China's Accession Protocol."

<sup>&</sup>lt;sup>31</sup> Hanna Firdausa Pratonggopat, Rai Mantili, and Efa Laela Fakhriah Fakhriah, "KEPASTIAN HUKUM DALAM PENGGABUNGAN DASAR GUGATAN WANPRESTASI DAN PERBUATAN MELAWAN HUKUM," *Acta Diurnal Jurnal Ilmu Hukum Kenotariatan Dan Ke-PPAT-An* 7, no. 1 (December 30, 2023), https://doi.org/10.23920/acta.v7i1.1664.

The ruling in case 521/Pdt.G/2021/PN.Sby provides an illustration of the formalistic tendency in civil court practice in Indonesia, particularly when judges focus more on procedural aspects than on the substance of the losses suffered by the parties. An approach that emphasises legal certainty is indeed important, but if it is applied rigidly without considering the empirical conditions and socio-economic relationships of the parties, the decision may lose its sense of justice<sup>32</sup>. Normative-empirical criticism of this decision can be directed at the way judges interpret performance deadlines, the good faith of the parties, and the relevance of the evidence submitted. From a normative perspective, judges should explore and follow the legal values and sense of justice that exist in society, while empirically, there should be an assessment of the actual behaviour of the defendant, which did not show a commitment to fulfilling the obligations as stated in the agreement. The implications of this ruling for the development of civil law are quite significant. If formalistic thinking continues to be maintained, the settlement of contractual disputes will tend to result in uncertainty for the aggrieved party, especially the plaintiff seeking legal protection<sup>33</sup>. A ruling that rejects a claim because it is considered premature without directing a substantive solution can also prolong the litigation process, increase the cost of the case, and reduce public confidence in the judiciary. Furthermore, this practice can hinder the development of the doctrine of default, which should be adaptive to the dynamics of modern civil relations that emphasise good faith, justice, and balance<sup>34</sup>. A normative-empirical approach offers a middle ground for improving the quality of decisions. Normatively, judges adhere to positive law, but empirically they also consider social facts and the behaviour of the parties to assess whether there has been a substantial breach of contractual obligations. Thus, judges' considerations will be more comprehensive and not trapped in procedural rigidity. Judges can also look at the context of the parties' relationship, the economic impact of delayed performance, and the motives behind the parties' actions<sup>35</sup>. This orientation is expected to produce decisions that are not only legally valid but also fair, beneficial, and more responsive to the real needs of those seeking justice.

# 4. Conclusion

Based on an overall analysis of the judge's considerations in Decision Number 521/Pdt.G/2021/PN.Sby, it can be concluded that the core issue of this dispute lies in the judge's understanding of the nature of conditional agreements and the absence of a specified repayment deadline in the debt acknowledgment document. This is the main reason for the judge to declare the lawsuit premature and therefore inadmissible. Thus, the purpose of this study to assess how the principles of legal certainty, justice, and benefit are applied in the decision can be answered: the judge places the principle of legal certainty as the main basis, but has not provided adequate space for substantive justice and benefit for the parties. The highly procedural approach meant that the substance of the dispute was not given its due consideration, so that the plaintiff's rights were not examined further in material terms.

Based on these findings, a practical recommendation that can be made is the need for the drafters of lawsuits, legal advisors, and interested parties to ensure that every breach of contract lawsuit is filed in compliance with all formal elements, particularly those related to the clarity of the performance period, appropriate references to the legal basis for breach of contract, and the preparation of written evidence that does not give rise to ambiguity. In addition, judges should begin to develop a more responsive pattern of consideration by balancing legal certainty and substantive justice, especially in cases where potential actual losses have occurred even though certain formal elements are not yet complete. For further research, an in-depth study of how appellate and cassation courts assess similar cases can provide a

<sup>&</sup>lt;sup>32</sup> Abedi, Rajabifard, and Shojaei, "Enhancing Access to Justice for Land and Property Disputes through Online Dispute Resolution and Artificial Intelligence."

<sup>&</sup>lt;sup>33</sup> Aboelazm, "Supreme Constitutional Court Review of the Legislative Omission in Egypt in Light of International Experiences."

<sup>&</sup>lt;sup>34</sup> Pratonggopat, Mantili, and Fakhriah, "KEPASTIAN HUKUM DALAM PENGGABUNGAN DASAR GUGATAN WANPRESTASI DAN PERBUATAN MELAWAN HUKUM."

<sup>&</sup>lt;sup>35</sup> Mantili, Kusmayanti, and Afriana, "Problematika Penegakan Hukum Persaingan Usaha Di Indonesia Dalam Rangka Menciptakan Kepastian Hukum."

more comprehensive picture of the consistency of the doctrine of prematurity in judicial practice. Research can also be directed towards empirical studies on the impact of formalistic approaches on access to justice in civil cases, so that in the future a more balanced, adaptive, and substantively rights-oriented model of judicial deliberation can be formulated.

#### **Declarations**

#### **Author Contributions Statement**

Aldi Firmansyah took the lead in conceptualizing the research, designing the methodology, analyzing the data, and writing both the original draft and the revised manuscript. He also served as the corresponding author. Ikmal Fata and Aimmatur Rosidah was responsible for data collection and investigation, contributed to the literature review, and assisted in the preparation of supporting research materials.

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# **Data Availability Statement**

The datasets generated and analyzed during this study are available from the corresponding author upon reasonable request.

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The authors declare that they have no known financial or personal conflicts of interest that could have influenced the work reported in this paper.

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