

# Study on the Existence of KPPU as a Commission of the Supervision of Business Competition of the Republic of Indonesia in the Era of Economic Globalization

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Law Number 5 of the Year 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition was created as a manifestation of the government's attention on business competition and in order to ensure that everyone in Indonesia is in a fair business competition. This law also harmonizes national regulations with international business law standardization. Law Number 5 of the Year 1999 also includes provisions for an unauthorised commission, the KPPU (Business Competition Supervisory Commission), which handles cases of alleged law violations; however, it has been 20 years since the enactment of the law, and many people feel that the commission's presence no longer answers the problem of business competition, mainly due to current economic globalisation. This paper was a normative study that focused on secondary data and was supported by some phenomena that occur in the business competition world. Economic globalisation demands the renewal of business competition law in Indonesia through the strengthening of the KPPU as a Business Competition Commission in Indonesia, so that the KPPU can guarantee the creation of a healthy business climate and achieve prosperity for all people.

**Key words:** Business competition law, The supervision of business competition, *KPPU*, economic globalization.



#### Introduction

Activities in the economic field cannot be separated from those in human and community life (Apriani, 2013). One such economic activity is trading. Through trading, each person can obtain various necessary goods and services at a price that is cheaper than the cost of producing it on one's own (Mankiw, 2000). This condition drives an economic agent (in this case a businessman) to carry out various business activities in the economic field, such as producing, distributing, selling, or other forms of goods and services activity (Sukirno, 1994).

In these business activities, there is something called "competition" between businessmen. Competition in business activities is similar with business activity (Rokan, 2012). Competition in the business world is also an absolute requirement for the implementation of a market economy (Suhasril and Muhammad Taufik Makarao, 2010). It can be understood that competition between businessmen in the business and economic world is common (Sukarni, 2010). Business competition is very important in business activities, and the business world will develop well as long as businessmen can comply with the rules in fair business competition law (Sulistya, 2006).

Economic growth will develop well with the opening of business fields and open competition between businessmen. The advantages of a competitive market economy (by conducting fair business competition) are, among others (Suhasril and Muhammad Taufik Makarao, 2010):

- a. Businessmen will compete with each other to attract consumers by selling products at the lowest possible price;
- b. Improve product quality;
- c. Improve service to consumers;
- d. Develop new production processes which are more efficient;
- e. Improving technology capabilities in both production process technology and product technology."

Indonesia and the countries of the world are currently in the realm of globalisation in all fields, including the economic field. The effects of economic globalisation place the countries of the world in a condition of global competition. Global competition is a form of world-level competition in which every country has the right to compete without being limited by territory. Economic globalisation has an impact on global competition that is characterised by free-trading, which knows no national borders and, like it or not, must be faced by all nations in the world. These global conditions breed tight and sharp competition, as well as a tendency for nations to defeat one another in the global market. In terms of economic interests, globalisation creates huge market opportunities that have both positive and negative impacts. Therefore, all nations have an interest in being able to take advantage of these wide-open



market opportunities. Regulation in the field of business competition is one of the tools that a country must possess to wade through economic globalisation without being crushed by the negative impacts of the field of business competition.

Nowadays, in Indonesia, business competition regulations are written in Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, which effectively took effect on March 5th, 2000. Indeed, the desire to regulate the prohibition of monopolistic practices and unfair business competition can be found in several laws that existed before the birth of Law Number 5 of 1999. Fraudulent trading practices (unfair trading practices) can be criminally prosecuted based on article 382 bis of the Criminal Code. Likewise, a competitor who is disadvantaged due to fraudulent trading practices can sue civilly according to Article 1365 of the Civil Code. In the industrial sector, monopolies and unhealthy industries are regulated by Law Number 5 of 1984 concerning Industry, and they are partially regulated in legislation in other economic fields (Usman, 2004).

Article 3 of Law Number 5 of 1999 states the purpose of the Law's enforcement:

"The purpose of establishing this law is to:

- a. safeguard the public interest and increase the efficiency of the national economy as an effort to improve people's welfare;
- b. create a conducive business climate through the regulation of fair business competition so as to ensure the certainty of equal business opportunities for large businessmen, medium business operators, and small businessmen;
- c. prevent monopolistic practices and/or unfair business competition caused by businessmen; and
- d. create effectiveness and efficiency in business activities."

Starting from the description of Article 3 of the law, which prohibits monopolistic practices and unfair business competition in Indonesia, the objectives of the business competition law in Indonesia can be simplified: first, to provide equal opportunity for every business actor; and second, to create a healthy, conducive, and competitive business climate; and third, to improve the welfare of consumers (public interest).

It is known that business competition law enforcement is carried out by a commission called the Business Competition Supervisory Commission (KPPU). This is because violations of Law Number 5 of Year 1999 are not considered criminal or civil, but are instead handled administratively by a commission called the KPPU. The KPPU is a state commission and an independent law enforcement agency that handles alleged violations that result in



monopolistic practices and unfair business competition. The KPPU also provides advice to the government on competition policy (Suhasril dan Muhammad Taufik Makarao, 2010). Independent law enforcement agencies are free from the influence of governmental authority or other parties, meaning that the KPPU is directly responsible to the President (Nadapdap, 2009).

From 2000, when Law No. 5 of 1999 became effective, until 2017, the KPPU has handled 358 cases. Of those 358 cases, 249 (70%) were tender cases (violations of Article 22), 93 (26%) were non-tender cases, and 6 (4%) were merger cases (www.kppu.go.id). The data above illustrates the reality that over the 20 years that the KPPU has been carrying out its duties and functions, the community has not felt a significant positive impact. This can be seen from the predominance of tender cases handled by the KPPU, which indicates that it does not have a direct relationship with the welfare of the community.

The existence of the KPPU itself is not well recognized by the general public despite its role as an enforcement and act-implementation commission whose ultimate goal is the welfare of the general public. Compared to other commissions, such as the KPK, KPU, and KPAI, the existence and actions of the KPPU are not well known nor strongly felt by the general public. Another interesting problem regarding the existence of the KPPU in the current era of economic globalisation is the lack of scope of its tasks and functions, further reducing its already meagre presence in the community. This paper will further discuss the existence of the KPPU in the current era of economic globalisation. This study is very important so that in assessing and informing the future of the KPPU and its capacity to help fulfill its people's welfare goals and to handle problems in the field of business competition in the era of globalisation.

# Method

This research was Descriptive Analytic research that collected data about human meticulous, circumstances, or other symptoms, with the aim of supporting the hypothesis-hypothesis. This form of research is essential for both strengthening old theories and drawing up new ones (Soekanto, 2008). The data that the author used was secondary data consisting of primary legal materials, secondary legal materials, and tertiary legal materials, which included:

a. Primary Legal Materials, which consisted of norms and rules (Laws and regulations related to the fundamental issues that the author examined in this research about The Existence of KPPU in The Era of Globalization of Economic), such as Law no.5 1999 on Prohibition of monopolistic practice and unfair business competition, KPPU Rules, etc.;



- b. Secondary Legal Materials, which were materials that provided an explanation of primary legal materials, such as the opinions of legal experts, research results, and draft laws.
- c. Tertiary Legal Materials, i.e. materials that provide instructions and explanations for primary legal materials and secondary legal materials, such as legal dictionaries, encyclopedias, and others.

# **Results and Discussion** *The Institutionalisation of KPPU According to Law Number 5 of 1999*

The Law on Prohibiting Monopolistic Practices and Unfair Business Competition in Indonesia mandates the establishment of a competition authority, as is the case in business competition laws in other countries. The business competition authority is called the Business Competition Supervisory Commission (KPPU), which is specifically regulated in Chapter VI, namely Article 30-37, of Law Number 5 of Year 1999. It is explicitly stated that the commission was formed to play a role in overseeing the implementation of the law. The KPPU's position on Law Number 5 Year 1999 is as a public institution, enforcement agent, and supervisor of the implementation of the law. In addition, the KPPU also acts as an independent referee by resolving cases related to the prohibition of monopolistic practices and unfair business competition (Hermansyah, 2008).

The Business Competition Supervisory Commission (KPPU) was formed with the aim of preventing and following up on the existence of monopolistic practices and of creating a fair business competition climate for businessmen in Indonesia (Dewa Ayu Reninda Suryanitya & Ni Ketut Sri Utari, 2016). The KPPU is a special organ that has a dual task: in addition to creating order in business competition, it also creates and maintains a conducive business competition climate (Andi Fahmi Lubis and Friends, 2009). Although the KPPU has a law enforcement function, specifically business competition law, the KPPU is not a specialised judicial institution for business competition. Therefore, the KPPU has no authority to impose sanctions, either criminal and civil. KPPU's position is more that of an administrative institution because it wields administrative authority and imposes administrative sanctions. The KPPU was given the role of supervisor of the implementation of Law Number 5 of 1999. Its legal status is as an institution that is independent to the influence and authority of the government and other parties, as mentioned in Article 30 of Law Number 5 of 1999.

In order for the KPPU's role to be carried out properly, the KPPU has duties based on Article 35. The KPPU's duties are as follows:

a. "Conduct an assessment of agreements that may result in monopolistic practices and/or unfair business competition, as regulated in Article 4 through Article 16;



- b. Conduct an assessment of business activities and/or actions of businessmen that may result in monopolistic practices and/or unfair business competition, as regulated in Article 17 through Article 24;
- c. Conduct an assessment of the presence or absence of abuse of a dominant position that may result in monopolistic practices and/or unfair business competition, as regulated in Article 25 through Article 28;
- d. Take actions in accordance with the KPPU's authority, as regulated in Article 36;
- e. Provide advice and consideration to Government policies relating to monopolistic practices and/or unfair business competition;
- f. Prepare guidelines and/or publications related to this Law;
- g. Provide periodic reports on the work of the KPPU to the President and the House of Representatives."

From the above provisions, it can be seen that the KPPU's task is to evaluate whether the act(s) of a businessmen can result in conditions of monopolistic practices (concentration of economic power) and/or unfair business competition (competition conducted in an dishonest way). Actions that may result in monopolistic practices and/or unfair business competition can be carried out by businessmen in the form of prohibited agreements, prohibited business activities, or abuse of a dominant position. If the KPPU evaluates that there have been prohibited agreements or prohibited business activities, the KPPU can use its authority to order the termination of prohibited agreements, prohibited business activities, and prohibited positions of dominance.

Of all the tasks mandated by Law No. 5 of Year 1999 about the Prohibition of Monopolistic Practices and Unfair Business Competition, Law Enforcement is the main or core task of all the tasks assigned to the KPPU. These tasks are carried out by the KPPU through case handling actions, issuance of decisions on cases that have been handled, and the implementation of follow-up efforts related to the existence and implementation of case decisions. The implementation of these decisions is carried out through a number of actions, namely the act of monitoring decisions and litigation efforts. As the principle of law enforcement, KPPU Members are required to carry out their duties based on the principles of justice and equal treatment, and they must comply with the rules of KPPU conduct.

In addition to having duties, Law Number 5 of Year 1999 also regulates matters that are under the authority of the KPPU. Based on Article 36, the KPPU's authority is:

- a. "Receive reports from the public and/or from businessmen regarding the alleged occurrence of monopolistic practices and/or unfair business competition;
- b. conduct research on the alleged existence of business activities and/or actions of businessmen that may result in monopolistic practices and/or unfair business competition;



- c. carry out investigations and/or examinations on cases of alleged monopolistic practices and/or unfair business competition reported by the public or by businessmen or found by the KPPU as a result of their research;
- d. conclude the results of an investigation and/or examination regarding the presence or absence of monopolistic practices and/or unfair business competition;
- e. summon businessmen suspected of having violated the provisions of this law;
- f. summon and present witnesses, expert witnesses, and anyone who is deemed aware of violations of the provisions of this law;
- g. request the assistance of investigators to present businessmen, witnesses, expert witnesses, or anyone who is not willing to fulfill the KPPU's summons;
- h. request information from government agencies in connection with investigations and/or examinations of businessmen violating the provisions of this law;
- i. obtain, examine and/or assess letters, documents, or other evidence for investigation and/or inspection;
- j. decide and determine the presence or absence of losses on the part of other businessmen or the public;
- k. notify the KPPU's decision to businessmen suspected of monopolistic practices and/or unfair business competition;
- 1. impose sanctions in the form of administrative action on businessmen that violate the provisions of this law."

The authority possessed by the KPPU also allows it impose sanctions in the form of administrative actions, which are subsequently regulated by Article 47. Based on Article 47, the following administrative sanctions can be imposed by the KPPU for evidence of violations of Law Number 5 of Year 1999:

- a. "Stipulation of the cancellation of the agreement, as referred to in Article 4 through Article 13, Article 15 and Article 16; and/or
- b. orders to businessmen to stop vertical integration, as referred to in Article 14; and/or
- c. orders to businessmen to stop activities that are proven to lead to monopolistic practices and/or cause unfair business competition and/or harm the community; and/or
- d. orders to businessmen to stop the abuse of dominant positions; and/or
- e. stipulation of cancellation of merger or consolidation of business entities and acquisition of shares, as referred to in Article 28; and/or
- f. determination of compensation payment; and/or
- g. imposition of fines as low as Rp. 1,000,000,000.00 (one billion rupiah) and as high as Rp. 25,000,000,000.00 (twenty-five billion rupiah)."

The granting of special authority to a Commission to implement a regulation in the field of competition is a common practice for most countries. For example, in the United States with



its Federal Trade Commission; the European Economic Community with its European Community Commission; in Japan, Korea, and Taiwan with their Fair Trade Commission; and others. Practices in some countries regulate the existence of this special Commission with separate laws, while others combine their arrangements in the competition law. The United States is an example of a country that regulates the existence of a special Commission in a separate law, whereas Japan is a country that unites the arrangement for its Commission with the business competition law. Indonesia also takes the latter approach.

#### Economic Globalisation and Business Competition in Indonesia

The era of globalization that is sweeping across the globe must be addressed carefully by the countries of the world, especially by Indonesia. This is because globalisation not only touches on socio-cultural aspects but also affects the economy of a country. A country's era of globalisation begins with the development of information, communication, and transportation technology (Syafrinaldi, 2006). In 2012, the Indonesian economy showed quite encouraging performance. This can be seen from the economic growth in 2012, which reached 6.3%, and in 2013, which reached 6.7%. This growth was driven by strong domestic demand supported by household consumption and increased investment. Economic globalization is a process of economic and trade activities in which countries in the world, for example in the ASEAN region, become a market force that is increasingly integrated by removing the obstacles of the country's territorial boundaries. Economic globalisation requires the removal of all restrictions and barriers to the flow of capital, goods, and services. When economic globalisation occurs, the boundaries of a country will become blurred and the link between the national economy and the international world economy, as in the ASEAN region, will become increasingly tight (Parimin & M. Umar Maya Putra, 2018). In the economic field, globalisation is characterized by free trade that is increasingly transcends national borders and directly or indirectly involves all countries in the world. In such atmospheres, conditions, and situations, there will inevitably be very tight and sharp competition, as well as a tendency for nations to defeat one another in the global market.

Competition is a form or a driving mechanism for the growth and development of the market economy; however, the meaning of the word "competition" is often interpreted negatively as "doing everything possible to occupy the highest or top position", especially in the case of the market economic system. The reality in this era of globalisation is that almost all countries in the world accept the market economic system and the spirit of "competition" that is in it, particularly fair business competition (<u>http://www.kppu.go.id</u>).

In terms of economic interests, globalisation creates huge market opportunities when responded to with positivity and preparedness in all fields. Therefore, all nations have an interest in being able to take advantage of these wide-open market opportunities. Economic



globalisation automatically leads global competition among economic actors. Therefore, countries must be ready and able to thrive in the era of economic globalisation by having the power or ability to compete in a market of globally circulated products and services.

Based on this understanding, the notion of competitiveness in the context of current conditions illustrates the ability of nations to face challenges in various dimensions of life. The higher the competitive ability of a nation, the better the nation is at facing competition with other nations. Conversely, a nation will not be able to face global competition if it does not have the necessary competitive ability. Competitiveness can be improved through creativity, innovation, and the support of natural resources and human resources. As is known, the Indonesian Nation has very rich natural resources and the fourth highest population in the world, making it fit for improvements in all fields to increase competitiveness with other nations.

If we pay attention and compare it to other countries in the world, Indonesia has natural resources that are almost incomparable. Flora and fauna are very diverse; mineral, geothermal, and fossil energy are abundant resources; and it has a very strategic geographical location that is adjacent to neighbouring countries. These treasures of Indonesia's wealth are unmatched by most other countries in the world. It can be understood that there is almost no reason for Indonesia to be known as a country that still has a large number of poor and unemployed people, as is currently the case.

It can be understood that the notion of competitiveness in the context of current conditions in the era of economic globalization illustrates the ability of nations to face challenges in various dimensions of life. The Indonesian people have very rich natural resources and with the fourth largest population in the world, should improve their ability in all fields, especially in the economic field to increase competitiveness with other nations. Promoting a spirit of competition by prioritising creativity and innovation must be a top priority of Indonesia's economic development, so that business ethics can be upheld and can become positive influences on the behaviour of large, medium, and small businessmen. Thus, fair business competition can become part of the culture of the Indonesian nation, which will in turn result in higher efficiency, productivity, and competitiveness (Simbolon, 2012).

In the spirit of upholding the value of fair competition in every business activity, business competition law is a must for every country that adopts a modern economic system. Almost all countries that implement modern economic systems in the world have applied competition law in their countries, including Indonesia. The business competition legal system was carried out on a massive scale that was started by developed countries, followed by developing countries, and finalised by the liberalisation of the world economy.



#### Strengthening KPPU's Institutions in the Era of Economic Globalisation

As explained above, in the current era of economic globalisation, competition among businessmen will be increasingly stringent. This has both positive and negative impacts. Regardless of the negative impact of economic globalisation, it is clear that every economic actor in Indonesia must always be ready to face it. Creativity, innovation, and fair competition culture must be prioritised by every business actor, including small businessmen, who are basically excluded by law. This must also be supported by the existence of the KPPU institutions by maximizing and optimizing all its tasks and functions.

The problem is that the implementation of the tasks and functions of the KPPU will not be felt maximally by the economic community (especially ordinary people as consumers) if the KPPU is only in the National Capital and in certain cities. This is because economic globalization is not only running and impacting in big cities, but throughout the country. This situation requires the KPPU to be present in the midst of the community as an agent of supervision and law enforcement. Viewing business competition narrowly will have a negative impact on competing businessmen, but more than that, business competition directly affects the wider community of consumers. If business competition is run unfairly, it will have a negative impact on consumers; if business competition is run unfairly, it will have a negative impact on consumers and will even have an impact on the country's economy at a macro level.

To assist the KPPU's task in overseeing the implementation of Law No.5 of 1999 in all regions of Indonesia, in accordance with Article 3 paragraph (2) of Presidential Decree No.75 of 1999 concerning the Business Competition Supervisory Commission, the KPPU may establish a representative office in a provincial city. In other words, the government actually understands the weight of the tasks carried out by the KPPU, so the government has prepared a legal basis for the KPPU to establish representative offices in regional areas. This is expected to assist the KPPU in overseeing the implementation of Law No.5 of 1999 in all regions of Indonesia.

The fact is that currently, the KPPU exists in only 5 regions other than the National Capital of Jakarta, namely Surabaya, Batam, Makassar, Medan, and Balikpapan (kppu.go.id). As a result, law enforcement for business competition is concentrated in certain regions, especially Jakarta, as the national capital. Data in the KPPU shows that since the KPPU started carrying out its duties and functions, 41 cases have been based in Jakarta, 31 in North Sumatra, 29 in Riau Kepri, 21 in South Sulawesi, and 21 in East Java. While in areas that do not yet have a KPPU secretariat, business competition law enforcement rates look very low, such as in West Papua (1 case), Bangka Belitung (2 cases), Gorontalo (2 Cases), Southeast Sulawesi (2 Cases), Aceh (3 Cases), and other cities that show low case handling rates. There are even



cities in the provinces that are not reached at all by law enforcement of business competition, such as Lampung, Maluku, Papua, and others. Meanwhile, for the enforcement of business competition law on an international scale, only one case has been handled by the KPPU since the year 2000 (kppu.go.id). This is certainly an under-represented matter, bearing in mind that economic globalisation has the potential to cause cross-border (international) business competition cases.

In fact, the desire or even the need to form a KPPU representative office in the regions has actually begun to be felt. Many reports have come from the community in the regions regarding the alleged violation of Law No.5 of Year 1999 that occurred in their area. In cases where the report was processed by the KPPU, it was felt that there were quite a lot of difficulties faced by both the KPPU itself and the parties involved in the case. This is because the process of handling cases by the KPPU requires proof that is not simple to produce. Because of the above, the KPPU has become determined to establish KPPU representative offices in the regions as soon as possible. These offices could immediately help to ease the KPPU's task of handling business competition cases in the regions and make it easier for the parties involved in the case to follow the case review process.

Furthermore, regions outside Java Island, which are quite far from the KPPU's office in Jakarta also have the right to get attention from the KPPU in the alleged event of actions that violate Law No.5 of 1999 in their area. The KPPU should not exclusively be in the Capital City of Jakarta, so that only Jakarta or Java Island receive the commission's main attention. Based on the results of searches of the mass media in the region, the recorded condition of the business world in the regions actually has similarities with the condition of the business world in Java. It is even possible that the business world in the regions is actually far worse than the conditions in Jakarta. This allegation is very reasonable because every business actor, wherever he is, has the same goal, which is to obtain profits. Therefore, there is a potential for regional businessmen to conduct unfair business competition in pursuit of objectives on a similar scale.

There are both philosophical and sociological reasons for the establishment of the Commission for the Supervision of Business Competition in the regions. Sociological reasons for the formation of the KPPU include the fact that an institution that is authorized by the state (government and people) is needed to supervise the implementation of a legal rule. With its authority originating from this country, it is hoped that this supervisory body can carry out its duties and functions as well as possible and be able to act independently (Sitompul, 1999).

Like the KPPU in other countries, this Indonesian KPPU is also given a very broad authority and is bound by duties in the executive, judicial, legislative, and consultative areas. The KPPU can be said to be multifunctional because it has authority as an investigator, examiner,



prosecutor, adjunct, and consultant. The strategic authority of the commission lies in its consultative role, where it gives advice and consideration to the government in matters relating to an institution and concerning economic policy. The authority of the commission, which resembles a judicial institution, is the authority of the commission to carry out the functions of investigating, examining, deciding, and finally imposing administrative law on cases that are decided. Likewise, the commission has authority to impose sanctions for compensation or fines to a reported party. The legislative authority of the KPPU is its authority to create regulations, both internally binding to its workers and externally to the public, such as guidelines, reporting procedures, and regulations for the handling or executing of the authority granted by Law No. 5 of 1999 in overseeing the course of the Act (Sirait, 2004).

The role of the KPPU is very large in terms of the enactment of Law Number 5 of 1999. This is because the KPPU not only plays a role in resolving business competition disputes but also in preventing unfair business competition from occurring. This is so that if there are things that have not created unfair business competition but are predicted to cause them, the KPPU has the right to conduct surveillance. One of these rights is the right to investigate if there are practices that are suspected to lead to dumping practices. This is one form of preventing unfair business competition. In addition, the KPPU's function as a consultative also demonstrates its role in preventive law and preventive law protection (Bhakti, 2018).

In connection with this preventive law enforcement, the authors argue that one of the objectives of Law No. 5 of 1999 is to prevent monopolistic practices and unfair business competition. Therefore, the KPPU should not only be in charge of supervision and law enforcement, but it should have the task of guidance, despite its name being the Business Competition Supervisory Commission. In this regard, the existence of the KPPU in regions throughout Indonesia is highly needed. Guiding business people to prioritize ethical and moral principles in carrying out their business activities is very important in efforts to prevent monopolistic practices and unfair business competition. In the end, running business activities in a healthy manner should become a culture for business operators in Indonesia, which will in turn achieve all the objectives of the law, especially the welfare of the people.

In the development of the KPPU's institutional existence, the implementation of the duties and functions that the authors appreciate include the function of partnership supervision in order to protect small businessmen. This is in addition to the KPPU's functions of law enforcement, providing advice and consideration, and merger supervision. The KPPU also carries out its functions in terms of partnership supervision as mandated by Act Number 20 of 2008 concerning Micro, Small, and Medium Businesses ((www.kppu.go.id):



- a. "Supervision of plasma core partnerships (where large/medium scale businesses are core and micro/small enterprises are plasma.
- b. Supervision of sub-contract partnerships (where large/medium businesses are contractors, and micro/small businesses are subcontractors).
- c. Supervision of the franchise (where large medium businesses are franchisors and micro/small enterprises are franchisees).
- d. Supervision of general trade (where large/medium businesses are recipients of goods and micro/small enterprises are producers).
- e. Distribution and agency supervision (where large/medium-sized businesses give special rights to the market goods and services of micro/small businesses).
- f. Supervision of revenue sharing (where micro/small enterprises are executors who run businesses financed by large/medium-sized businesses).
- g. Oversight of operational cooperation (between micro/small businesses and large/medium businesses running temporary businesses until work is completed).
- h. Joint venture supervision (where micro/small businesses and large/medium foreign businesses run joint venture patterns and carry out economic activities by forming new business entities).
- i. Outsourcing supervision (where large/medium enterprises outsource workers (not primary) to micro/small businesses."

In my opinion, the supervision of the partnership between micro/small businesses and large/medium businesses by the Indonesian Business Competition Supervisory Commission is very supportive of the people's, and partially small businesses', economic spirit in order to achieve the objectives of the law. Guarantees that there will be equal business opportunities for every business actor must be honestly provided as one of the running tasks and functions of the KPPU. But of course, small businessmen must also be in the practice of fair competition, so as not to harm consumers.

# Conclusion

Economic globalisation brings up market forces in the world that transcend national borders, which automatically results in global competition among businessmen. Business practitioners in Indonesia, whether large, medium, small or even micro, cannot close themselves off from these situations and conditions. The spirit of fair competition must be possessed by all businessmen so as to trigger the creativity and innovation that is necessary to survive. To realise this, the maximum role of the KPPU is needed in the framework of carrying out its duties and functions, both to prevent monopolistic practices and unfair business competition, as well as "repressive efforts" that exercise its authority to handle cases of alleged violations of the law. Therefore, economic globalisation, which has wide consequences throughout the country, requires the presence of the KPPU in all parts of the country. This is so that the



functions, roles, duties, and authority of the KPPU operate optimally, for the sake of the market and for the sake of healthy competition in all economic areas.



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