Research Article

The Efficiency of the Economy in the Globalization Market: The Direction, Course, and Application of the Economic Legal System Based on Pancasila

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Abstract.
Global trade in Indonesia does not follow the direction of Pancasila so a direction of economic law based on Pancasila is needed. This study aims to compare the market model from the perspective of capitalism, socialism, and Islam and to analyze the direction of Pancasila in the development of economic law in society 5.0 Era. The method in this study is descriptive qualitative with a statutory approach. The results of this study are that there are differences between the concept of global markets in a capitalist, socialist Pancasila, and Islamic perspective. The results of this study are a comparison between the market concept and there are differences between the global market concept in the perspective of capitalist, socialist Pancasila, and Islam. Therefore, the Pancasila market concept must be applicable in Indonesia while still paying attention to economic efficiency, and also global trade must not violate Pancasila.

Keywords: economic law, global market, Pancasila

1. Introduction

Pancasila Is a concept that is universally understood to be done by Indonesia as the basis and contribution to Indonesia for the self-imposed, rational, deep self-assessment of the principle of human, state, and Indonesian society which is the basis of pancasila philosophy is a composite one single.[1]The conference is each herein cannot stand alone and separate from the other vang precepts.[1]The five precepts contained in pancasila are a system of philosophy in which one precepts upon another are unbreakable and in relation to one precepts on that others because to achieve one common goal.[1]Others because to achieve one common goal. Then, the first and second precepts, the basis of the other precepts, the morals and the humanities, the third and fourth precepts, and the last of the democratic nationalism and finally the
fifth precept is the goal. Pancasila is a comprehensive system of thought, which is the subtext of man in relation to the almighty god, with himself, society, nation and state. Thus pancasila was a system of philosophical understanding as are other philosophical systems among them materialism, idealism, racism, liberalism, socialism, and so on.[1]

It was authoritatively listed in the Indonesian hukurn order, at the opening of the 1945 pancasila law as a basis for philosophy. Olch because of that entire normative derivation and practical values pancasila is the source of nilsi dalas in the nommatif realization and practical in life country and nationality. All aspects of state and national life include political life, law, economics, social-culture and other must be based on valuesPancasila. The pancasila values are solid das for the Indonesian nation.[1] The pancasila formula is that in Indonesia's constitutional, constitutional, and positive laws binding all state institutions, public institutions, and every citizen, without exception, to carry it out in the states, the statecraft, the national and nationalcommunity. The design of the pancasila is imperative that Indonesian citizens participate in social, national, and Indonesian life. Thus, the pancasilla formula is harmoniously interwoven, hierarchical, pyramidal, integrated, solid, whole, round, and comprehensive.[3] Ten The philosophy of pancasila law is not independent of the five precepts contained in pancasila. The value of deity, the value of fairness, the value of unity, the value of conformity, and the value of social justice. From these five values can be seen two core values: the religious value and the value of communion. The two come together running in unison chaping the own law philosophy of pancasila law. Legal philosophy it is more than just in legal science construction, but it has been reflected in gestures of human thought, actions, and behavior in Indonesia. The philosophy of the pancasilla law is a legal theory based on pancasila values as a basis of ontologis, episooologism and even its axique.

However, the new values made pancasila a legal philosophy now is kept from law study in many law colleges. He was an obsolete piece of equipment and no longer able to attract the attention of law students. The idea of liberal freedom affects the dynamics of Indonesian law. Pancasila became so slow in the face of the penetration of new ideas and values in the cosmic laws. The concept of law was now much more logical, mechanical calculations being a rational choice in legal ideas. Adopting the philosophy of pancasila law as a fundamen of Indonesian law, make it easy to do. West's most logical value of laws are individually embedded with administrative corruption has been so far from the legal study room in Indonesia. So to reshape the consciousness of the philosophy of pancasila law would again need to pour down classical and contemporary thoughts of pancasila philosophy.
Globalization is once affecting countries worldwide including Indonesia. The wave of democratization, human rights, neo-liberalism, and neo-conservatism and globalism has even entered the outlook and thinking of Indonesian people. Such a thing can marginalize pancasila and can create a new system of values and ideals that conflict with the national personality. Pancasila implementation in community life in fact the world of economics has a strong term that wins, so it is not uncommon. Economic development leads to free competition and is rarely focused on human morality. This would not be consistent with pancasila more concerned with the implementation of the potent economic pancasila, which is a humanistic economy aimed at the widespread welfare of people, (mubyarto, 1999). Economic development is not just the pursuit of growth but for humanity, for the well-being of society. Then Indonesia's system of ekonomics is based on an extended family of the entire nation.

2. Methods

This research is descriptive in nature, the purpose of descriptive research is to make systematic, factual and accurate representations of facts. In addition, legal research is carried out by examining secondary data in the form of primary, secondary, and tertiary legal materials, and other data related to and scientifically supporting the issues raised by the author, such as books, scientific articles, writings - writings of legal experts on the internet, as well as various laws and regulations that are appropriate and related to this research.

In this study, the data collection technique used was library research which aims to obtain secondary data, which comes from:

Primary legal materials are binding legal materials.

Secondary legal materials, are legal materials whose contents provide explanations regarding primary legal materials, such as law books, research results, works from legal circles and others.

Tertiary legal materials, are materials that provide instructions and explanations of primary and secondary legal materials, such as legal dictionaries, Indonesian language dictionaries, encyclopedias, cumulative indexes and others.

Legal materials are collected through inventory procedures and identification of laws and regulations, as well as classification and systematization of legal materials according to research problems. The data that has been collected, both from primary legal materials, secondary legal materials, and tertiary legal materials, is processed and discussed using qualitative normative analysis, namely a discussion carried out by
sorting, interpreting, comparing, and discussing the data that has been obtained based on rule of law (data source) into a statement form (description).

After the data is collected, it is then examined or re-examined to find the truth that has something to do with the problems discussed in this study. Next is data analysis, where the analysis will be carried out qualitatively, namely data that has been edited and selected according to each category and then linked to one another and/or interpreted in an effort to find answers to research problems.

3. Results and Discussion


This process of building the Indonesian global era requires systems in order to ensure public welfare of the people, it is possible to realize the country’s objective in the fourth paragraph of the 1945 constitution. As a goal of law, pancasila, according to the 1945 bill nrit, also sat as the supreme law norm, which created all the lower norms in the existing system of law norms, and fixed the norms accordingly. In this case the pancasila is the focal point of the 1945 constitution create the chapters or body parts of the basic law that are written, determining content. And a lower form of legal product. Therefore, in the norms of the law of both low and high, there must be a drawing of the red string or its harmony with the values embodied in pancasila. Discord and conflict between a legal norm and higher law norms, and between the law’s system of norms with pancasila cause unconstitutionality (constitutionality) and unlegality (illegality) of the law’s norms so to have no binding power and power valid.

Thus, the relationship between pancasila and the existing legal norms involved the general relationship between pancasila and the 1945 bill and chapter 33 in particular. The policy of the government was based on the policy of nrit in 1945, especially in chapters 33 of the 1945 bill, which basically represents the imbeded value of Dan/or imbued the pancasila values that want the state to pursue and the aim of the state to achieve social justice for all people in Indonesia. For the nation and the country of Indonesia, pancasila is the sole ideology and principle in the various areas of social, national and domestic life. Such enforcement results in consequences so that in every move and step of people’s lives (including also economics), it must always be based on or defined of the noble value embodied in pancasila, the consequence not only of society but also of government action imposed by its enforceable legal product. As we know, the MPR has been creating Garis Besar Haluan Negara (GBHN), which
contains the basic direction that pancasila be applied to various aspects of people’s lives, nations, and the country of Indonesia, this can be observed in chapter ii the 1996 GBHN letter the meaning and substance of national development, which states the following: “corporate hart the spirit, direction and direction of development are carried out to preserve all precepts Pancasila fits together and as a whole.

Principles of the welfare state; This principle can be discerned from the content of chapter 33 and its explanation (paragraphs 2 and 3) that emphasizes the importance of the participation of the state to interfere with the economic life and the nation’s potential human life. The active role of state (c.q. government) is aimed solely at creating welfare for all Indonesian people. These principles point to the view that “an economy is not a goal, but a function or tool toward a country’s goal embodies a prosperous, just and prosperous society both material and spiritual. In other words, economic democracy is not the primary goal/end but is the key bridge to realizing a society that is mandated in the fourth paragraph of the 1945 bill of bill, as well as in the corresponding terms of the borrower.

3.2. The Market in the Perspective of Capitalism, Socialism, Islam and The Pancasila

3.2.1. Market in the Perspective of Capitalism

Capitalism is a system based on voluntary exchange (voluntary) in a free market.[4]The presence or role of the state is increasingly scarce. In the first semester of 2008, the company’s net profit in the first half of 2008 fell to rp68.3 trillion from the same period a year earlier.[5]In the concept of a private market is liberated from its attachment to the state and responsibility for the social problems of its company. A reduction in wages by removing the unions and cutting out the rights of the price workers was allowed to move without government intervention. Total freedom in terms of transfer of capital, goods, services. Free market owners always declare: unregulated markets are the best ways to increase economic growth, and provide profits for each person.[6]

The principle of operating mechanism of the marketplace causes competition. Competition occurs between sellers of similar goods to attract buyers; Between the buyers to achieve the things they want; Between workers to obtain employment, between employers to find workers, between shoppers and sellers of resources to meet the best requirements. In its most perfect form the free market reflects a considerable number of buyers and sellers which cause they cannot affect the price of the goods
and then the freedom of the buyer and the seller which is not hampered by the economic restrictions on demand and offers.[6] As for capitalism (market imperatives), according to Wood, there are relationships, not only economic relations (competition, accumulated, profanation, and increased labor productivity), but also social relations, determined by the market. That is, there is no social life that does not involve the presence of the market as the main and foremost medium. He had to go to the market to sell his labor (and himself) to the capitalist. He couldn’t force the capitalists to hire him. In contrast, a capitalist must also go to the market to buy labor for the poor. He can no longer rely on violent apparatus to ensure the production of cheap labor supplies, as is characteristic of pre-capitalist communities.[7]

Capitalism encourages economic growth by facilitating open competition in the market. Capitalism forms an economy in which consumers organize markets. Many consider this one of the greatest forces of the capitalist economy. A competitive market stimulates innovation and prompts the emergence of a variety of products and services. This makes consumers more choices and encourages people to achieve financial freedom.[8] In the capitalists’ economic system, the free market mechanism is perpetuated in all aspects of activity. Each individual is given the freedom to interact and compete. His freedom was given in full, and thus he became known as the perfect competition. As the abuse of power often results from freedom, in practice a capitalist economic system will involve interference of 20 governments.[9]

3.2.2. The Market’s in Socialism Perspective

A theoretical model, a new market socialism was developed in the west in the 1930s by Oscar Lange. Oscar Lange was a Marxist and a profession who first gave rise to the idea of socialism in the market. The idea first emerged in an effort to address Ludwig von Mises’ criticism that rational resource allocation would not be possible in a socialist economy. Lange suggested that the state would use a free market instead of a centralized planning economy to allocate labor and all the goods other than that sent out by the state company. Whereas countries still retain ownership of capital and natural resources, they run a price mechanism in an effort to emulate the mechanisms of the perfect competitive market. Private or private companies are not allowed, but state-owned enterprises (SOEs) act according to the regulation of production of the conglomerate which will be issued to the state as social dividends.[10]

The market in the perspective of socialism can be understood as a market supervised or regulated, and the regulations are usually in the form of price control, but the state
stays outside the market and the state makes open transactions in the market just as it normally operates. Socialism in the market is also seen as a mixed economy with moderate state intervention and the application of social policies. Thus the idea of market socialism was understood to be a mixed economy that still used public ownership and the dominant communist party to legalize the operating system of the market through public policy, and with political pluralism.\[11\] the greater the role or presence of the state in the market, was likely to be referred to as Socialist economic system.\[5\]

For socialist economic systems, identification through market systems is used in market socialists when identification by directive of the central government is embodied in socialists premeditated. Och because individual roles are recognized in the market economic system, individuals are given little freedom to seek to satisfy their satisfies and can obtain the Information is rather free. But inside the planned socialist economic system everything is the central directive. Individuals don’t have the freedom to compete and all basic design and design, and dissemination of information from the government.\[9\]

3.2.3. Marketplace in Islamic Perspective

Islam places the market in an important position in the economy. And also Islam in particular, with the concept of fair price and a perfect market mechanism, the concept of Islam asserts that the market must stand above the principle of perfect competition, but that does not mean that freedom is absolute, but freedom with a frame of sharia rule. And the concept that determines that Islamic markets should guarantee the free entry or release of a commodity in the market as well as the set of manufacturing factors. It is intended to ensure the distribution of economic power in a proportional mechanism. In order for the market to function normally (naturally) and ensure its continuity, where the structure and mechanism of the market can avoid the negative behavior of market actors, the doctrine of Islam also offers a sharia-based moral rule that protects every interest of the market.\[12\]

In Islamic market concepts, prices are based on ard wa ta’ab (offer and demand) by monitoring outside influences. The demand and offer meeting must be held willingly as willingly as tarad in that no one feels compelled to make a transaction at that price level.\[13\]

The Islamic view of markets is also based on any form of injustice to be prohibited, that is, all improper trade practices or lapses in religious terms. Briefly mentioned that Islamic commerce, or that having a disposition consistent with Islamic teachings
is when trade is trade based on Islamic norms, these include the establishment of clean, righteous, honorable, and honest trade of goods, enforcing justice and darning usury, enforcing affections, counsel, and enforcing monopolies to double personal gain, enforcing tolerance and brotherhood, based on the principle that commerce is a provision for the affair.\footnote{14}In the Islamic economic system, the mechanism of the market is through the market. This means that each individual is free to interact between each other, and each is free to compete but is subject to the Islamic plan. Transparent information and all classes are entitled and can receive it freely. There is no word but action by the government could be done if one got inside the net Islamic ethics.\footnote{9}

3.2.4. The Market is in a Pancasila Perspective

The Pancasila economy could be called a market economy with government control or a controlled market economy. There may be other terms that approach the economic understanding of Pancasila, which is a mixed economic system, meaning a combination of capitalism system and socialism or a third street economic system in cooperatives. The market's understanding in Article 33 of 1945, it mentions that the market is the most important instrument in the economy. The jcls chapter 33 enacting the active role or presence of both the market and the market sector (as buyers or sellers/producers) and specifying which goods or services should be engaged in the market, to the great prosperity of the people, the power a lot of people's lives, and that's important for the country. The implementation of this Article 33 bill of 1945 will determine or affect at least the extent of national bias to whom or where they go depends on the role the state takes, the enforced market rules and any goods or services that are directly involved or pur not right away. Therefore this chapter 33 can be identified as a separate school or Indonesian economic ideology.\footnote{5}

3.3. Economy Efficiency in Free Markets: The Direction, Course and Application of System Laws Based on Pancasila

The meaning of economics refers to the way of doing action, which means efficiency, namely the exertion of minimal effort with maximum results with an adaptation to the methods used to achieve goals, to the activities intended, including economic understanding in referring to various needs of life, including the procurement of goods and services through market institutions. The spread of industry throughout the world, as a result of the industrial revolution, is considered as a marker of the start of the process
of globalization of economic activity. Strategy and competition for the international market have encouraged countries to join in various world economic organizations, and in the end formed a portrait of the form of world order as a result of economic globalization, with its root being the desire for capitalism. For some people, the Cold War era was far more certain than the current era which is more multipolar in nature. The global economic forces which were formed with lofty ideals to help member countries experiencing economic difficulties, actually made developing countries increasingly mired in the poverty abyss, which is evident from the widening social gaps in society. Thus the battle of ground on trade economic issues involves three sides of power and interests which in many ways compete with each other, namely between rich and developed countries and poor countries, between communities and companies, and between rich and developed countries. Economic globalization has changed from an issue of international trade to trade competition and investment liberalization which many developing countries feel has a negative impact, because the occurrence of control or monopolistic developed industrial countries against developing countries, such as Indonesia. Thus, the negative impact is considered to endanger the national economic growth of a country, and in turn will reduce people's welfare.

The second globalization was marked by the emergence of the telecommunications revolution and the information revolution. It was this revolution that resulted in low production costs for capitalists and capital to explore the world without constraints, so that the capital and commodities of developed countries could dominate the world. While other countries must accept this fact. This situation makes inter-country relations unequal in various fields. Developed and rich countries, in various inter-state cooperation, have become more dominant and even intimidated developing and even poor countries. Economic globalization based on market economy has given rise to global economic competition. In a situation like this every country must compete hard in an effort to obtain capital for its development. In addition, the investments made by each country must produce products that are able to compete in the market, both domestic and international markets, because only the highest quality products at the lowest prices are sold in the market. In addition, in the global economy, the understanding of the origin of a product becomes blurred because the chain of production processes is located in various parts of the world. Under these circumstances it becomes increasingly difficult for the state to maintain an independent and autonomous economic policy. In addition, government intervention in the economic sector is also increasingly difficult to implement and becomes an unpopular economic policy. Every country is faced with pressure to adopt liberal economic norms and democracy.\[16\]
Meanwhile, thanks to advances in technology, space and time communication is now relatively easy, not an obstacle that is too big for mankind. Globalization, seen from an economic and cultural point of view, should promise accelerated economic growth. With the domination of the investors, the development of culture is also dragged into the cultural and economic interests of the investors. Then began to occur opposition to globalization. Globalization is also very close to Neoliberalism, which is spreading all over the world.[16]

The challenge for the Indonesian nation in facing the era of economic globalization, Pancasila economists are not a new economic system that must be created to replace the economic system that is now “adhered” to the Indonesian people. The seeds of the Pancasila economic system already exist and have been implemented by some Indonesian people, especially in rural communities in the form of joint efforts based on the principle of kinship.[17] With regard to the nation's directives and commitments above, one issue that needs to be explored further is regarding what Pancasila values can be applied to the economic life of the Indonesian nation. In other words, the application of Pancas ideology in the economic field is not only based on one precept, so that the five precepts of Pancasila, which are one unit, can be implemented in everyday life the economy of the Indonesian nation. By its nature, the values of Pancasila will always develop and adapt to the development of science, technological sophistication, and the acceleration of communication facilities. Its openness does not mean that it will change the basic values of Pancasila, but only makes its insight explicit. More concretely so that they have the ability to solve new problems as well as resilience in dealing with the negative impacts of the progress that has taken place. On the other hand, the elaboration of Pancasila values must be carried out systematically.

Thus it is clear that the values of all the Pancasila Precepts, as a whole and systematically, can permeate the economic life of the Indonesian nation. However, as we all know, history shows that the implementation and elaboration of Pancasila values in various national lives (including in the economic field) has not been fully realized. The humanistic side of the economy is justice. Meaning and Actualization of the precepts of Belief in the One and Only God in the economy that is controlled on a spiritual, moral and ethical basis. So that economic development is realized with divine values.[18] Every economic actor always presents God from every economic action. The meaning and actualization of just and civilized human precepts in the economy is that there is no difference between citizens which is marked by equal opportunities and access for every citizen in the economy and enjoys economic development. The concrete manifestation of this second precept is considered by the principles of implementative thinking in the
field of economics 1) recognizing equality of rights and equal obligations among human beings, 2) loving each other among human beings, 3) developing attitudes about taste, 4) not arbitrarily with other people, 5) uphold human values, 6) Dare to defend truth and justice, 7) Enjoy doing humanitarian activities, 8) respect and cooperate with other nations.[18] The most powerful driver behind globalization.

The meaning and actualization of the precepts of Indonesian unity in economic development. The most powerful engine behind globalization is pure economic interests, namely the desire to maximize profits. How can markets in developing countries be freed from various regulations with a series of free trade concepts, while products from developing countries are restricted from entering markets in developed countries? In realizing the precepts of Indonesian Unity in the economic field, several implementative thinking principles can be considered, including:

1. Able to place unity, integrity and common interests above personal and group interests.
2. Able and willing to sacrifice for the benefit of the state and nation when necessary.
3. Develop a sense of love for the motherland and nation.
4. Develop a sense of national pride and Indonesian homeland.
5. Maintain world order based on freedom, eternal peace and social justice.
6. Developing Indonesian unity on the basis of Unity in Diversity.
7. Promote association for the sake of national unity and unity.[16]

The meaning of actualization of the populist led by the wisdom of wisdom in representative deliberations in development in the economic sector. First, the participation of all community members in the national production process. Second, the participation of all members of society in enjoying the results of national production. Third, production activities and distribution of national production results must take place under the leadership or ownership of community members.[16]

In order to actualize the fourth precept in the economic field, you can consider alternative behavior as follows:

1. Balance of rights and obligations.
2. Realizing a sense of social justice.
3. The right of the community or working citizens to know.
4. Familiarize yourself with the rules of the game that apply.

5. Familiarize solving problems by deliberation.

6. Always be responsible for deliberation decisions.

7. Make it a habit to give constructive criticism.

8. Good faith with full responsibility in accepting an assignment and position.

9. And others.[16]

The meaning and actualization of the precepts of social justice for all Indonesian people in economic development. The precepts of social justice for all Indonesian people can be briefly described as a just and prosperous society, prosperous both physically and mentally, in which every citizen gets everything that has become his right in accordance with the nature of a just and civilized human being. The embodiment of the precepts of social justice for all people which is its practice, every citizen must develop a fair attitude towards each other, maintain a balance between their rights and obligations and respect the rights of others.[16]

Economic equity in Indonesia still needs to be implemented. This is necessary because economic growth between regions is still different. If Indonesia's economic growth is not evenly distributed, this will cause one region to lag behind other regions. In overcoming this, the government is promoting population equity, economic equity with capital loan programs and others. This government step is useful for realizing a just government for all Indonesian people.[16]

1. Likes to give help to others to be able to stand alone.

2. Do not use the property rights of businesses that are extortionate against other people.

3. Do not use property rights for things that are extravagant and luxurious lifestyles.

4. Do not use property rights for things that are contrary to or in the public interest.[16]

In actualizing and implementing the Pancasila legal system, the government's alignment in the people's economy is needed without foreign investment being harmed. For example, today's pandemic situation can be used as an opportunity for growth and economic equity due to the proliferation of online sales. The government's role must be to encourage innovation, creativity and management for Indonesian business actors while also encouraging the ease of exporting local products abroad.
4. Closing

The concept of the free market in the perspective of capitalist, socialist, Pancasila and Islam has differences so that in practice it will get a lot of problems. It is hoped that Pancasila as the nation's philosophy must have direction and direction in economic law so that Indonesia's economic efficiency runs optimally.

References


