

The Effect of Globalization on Law and Business

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Abstract- Globalization in Indonesia is inevitable because Indonesia is involved in international relations with countries in the world. The problem is how does globalization affect law and business? The writing method is normative juridical, using secondary data as key data and primary data as supporting data. Secondary data sources that are used include official documents, books, journals, research results in the form of reports, and so on obtained by means of literature study. The industrial revolution that began in the late 18th century continued with the Industrial Revolution 2.0 that occurred in the 19-20th century and then the Industrial Revolution 3.0 began in the early 1970s. In early 2018 was the Industrial Revolution 4.0 which combines Cyber Physical Systems, the Internet of things, Networks, in this era began in the virtual world. In this era, human work was replaced with robots thereby reducing human manual work hence there was a shift and change due to digitization and automation so that people must be prepared to face and respond to these changes. Society 5.0 restores the glory of human civilization because of its physical, digital, and biological collaboration completed with spiritual aspects, in this case religion, will again lead science. The conclusion is that the impact of the industrial revolution 4.0 and society 5.0 is an increasingly global world so that national borders seem to be gone, in fact Indonesia's morals, culture and national identity will be difficult to prevent the entry of foreign cultures. For this reason, superior Human Resources are important to make a breakthrough and become an advanced nation in facing and responding to globalization, namely Human Resources who have the criteria of virtuous character, strong character, tolerant, honest, have Pancasila ideology, hard worker, which can be achieved through education and utilization of good technology and can increase industrial added value.

Keywords- *Globalization, Law, Business, Human Resources*

I. INTRODUCTION

Globalization in Indonesia is inevitable because Indonesia is involved in international relations with countries in the world. In Indonesian President Joko Widodo's State of Speech at the Joint DPR-DPD Session on August 17, 2019, the main key words of the Nawacita Program namely the Sixth Agenda is increasing people's productivity and competitiveness in international markets so that the focus is emphasized on the issue of Human Resources (14 words), Education / knowledge (11 words), Technology (8 words) and Industry (6 words).

Qualified Human Resources is important to make a breakthrough hence can become a developed nation. Superior Human Resources will make Indonesia not dependent on Natural Resources. Superior Human Resources are Human Resources who have criteria of

noble character, strong character, tolerant, honest, have Pancasila ideology, hard worker, which can be achieved through education and good technology utilization and can increase industrial added value. Opportunities presented by globalization such as the opening of information and competition therefore Indonesia must take a leap so that it is not inferior to other countries by establishing qualified Human Resources.

II. RESEARCH METHOD

The writing method used is normative juridical that uses secondary data as key data and primary data as supporting data. Secondary data sources that are used include official documents, books, journals, research results in the form of reports, and so on obtained by means of literature study

III. DISCUSSION

The industrial revolution 4.0 which hit millennial world gave a challenge to all parties including the legal profession and the business world which required creativity to answer it. In the field of legal profession there has also been a shift due to the industrial revolution 4.0 which is a challenge to respond to future problems.

The industrial revolution which began in the late 18th century was marked by steam power and weaving loom and continued with the Industrial Revolution 2.0 which occurred in the 19th - 20th century marked by mass production and electrical energy, then the Industrial Revolution 3.0 began in the early 1970s with automation, computers and electronics. Beginning of 2018 is the 4.0 Industrial Revolution which combines Cyber Physical Systems, the Internet of things, networks, in this era began the virtual world. The era of industry 4.0 already using robots hence will reduce human manual work so that many jobs are reduced. The role and position of the workforce need to be improved in the quality of their workforce and their participation in development to face the Industrial Revolution 4.0. Workers who do not have higher education and expertise as well as virtual views will be replaced by robots that use Cyber Physical System and Internet of Things, Network so that many shop assistants will have no jobs because the shop is closed and replaced with Shopee, Bukalapak, OLX, Tokopedia, Lazada, Blibli.com, so they will look for other jobs.

In the era of the Industrial Revolution 4.0, robots replaced human work and ultimately reduced employment

for man but man with special education and expertise could not be replaced by robots because man made robots so millennials were irreplaceable because they already thought virtually into the future.

A lot of man work began to be replaced with machines. Human power becomes a secondary commodity because the use of machinery is more profitable. The era of the Industrial Revolution 4.0 was marked by a pattern of digital economy, artificial intelligence, big data, robotic, and so on that had a significant impact on the legal field. Human Resources is one problem that must be faced in the era of industrial revolution 4.0. This is because in addition to requiring reliable and superior human resources, it also requires special expertise.

Human Resources are required to be able to improve services to the community with maximum utilization of existing information technology and also broaden knowledge, the ability to think critically and be able to solve problems, communicate, be creative and be able to collaborate.

Legal Confidence affects Economic Confidence which has legal certainty and an electronic system that can prevent fraud, falsification of documents, public registry, ease of licensing and ease of doing business which strongly supports globalization today. Openness to science and technology for the legal community is inevitable so that the industrial revolution 4.0 is good for millennial society because it helps accelerate the administration, archiving and data transmission so that the Cyber Physical System, the Internet of Things, Networks is beneficial but also has a negative impact namely Human Resources that has no virtual thinking will be eliminated because it can be replaced with a robot, but humans with forward thinking and intelligence will still exist and are irreplaceable.

The implementation of the industrial revolution 4.0 provides speed and accuracy of information access and is believed to be able to provide global level competitiveness and be able to lift the global export market share due to high work productivity and profits in the industry and its impact on formation of new jobs.

The facts on progress and ease in all aspects of the field offered by the industrial revolution 4.0 do not necessarily become answers to the problems in Indonesia. Because, the Industrial Revolution also offers accompanying problems so that it is not impossible that it will further aggravate the problems that hit Indonesia. Some of these problems include: *First*, post truth becomes a phenomenon in today's digital world, where the flow of information becomes so fast that the verification process is neglected until finally the truth becomes biased. *Second*, ecological damage is something that can be separated from the construction of an industrial area, because one index of natural damage is caused by land

expansion and industrial waste disposal. *Third*, the logical consequence for industrial society is dehumanization. The humanitarian and socialization side to the community will be reduced by the existence of human behavior that is already inhuman, the cultural context that facilitates them is increasingly lost due to economic pressures and the existence of jobs [1].

6 (six) corporate strategies for dealing with the industrial revolution 4.0: [2]

- a) Repairing the flow of goods and materials
- b) Improving the quality of Human Resources
- c) Harmonization of rules and policies
- d) Attracting foreign investors
- e) Expanding business networks
- f) Promotion and approach to consumers

With the industrial revolution there was a shift and change due to digitalization and automation in the era of the industrial revolution 4.0, the community must be ready to face and respond to these changes at the same time. No less important is the field of law that issues regulations relating to reforms also in the field of education which are the challenges and needs of this industrial revolution era.

Indonesian President Jokowi Widodo revealed that the government had grouped five main industries prepared for the 4.0 Industrial Revolution. "The five industries that are the focus of the implementation of Industry 4.0 in Indonesia are the food and beverage industry, textiles industry, automotive industry, electronics industry, and chemicals industry," stated the President in opening the 2018 Indonesia Industrial Summit at the Jakarta Convention Center (JCC) in the first week of April 2018.

According to the President, the five industries were determined to be the backbone to improve competitiveness. These five sectors are also considered by the President to contribute to the creation of more jobs and new investments based on technology. Indeed, the Industrial 4.0 era has presented smart factories because of artificial intelligence (AI). However, opportunities for the creation and availability of new jobs remain open.

Industry Minister Airlangga Hartarto has expressed his belief that Indonesia has a great opportunity to become a key player in Asia in the implementation of Industry 4.0. There are two real potentials that underlie this belief, namely a large market and skills. These two potentials are able to support the development of the digital age [3].

The 4.0 industrial revolution in Indonesia which is part of globalization must follow this development and must pay attention to the culture of the Indonesian people. The culture of Indonesian society depends on its human resources, if they are not ready with the acceleration of production and development in the industrial revolution 4.0, this makes Indonesia more lagging and unable to keep up with the development of the world and post-

industrial revolution 4.0 which will emerge with 5.0 industrial revolution where: a) Industry 4.0 value best quantity and mass production ; b) Industry 5.0 value life standard, creativity and high quality custom made products so one next step in evolution

Impact of Industry 5.0. Project realized in line with industry 5.0 and Industrial Upcycling proposition confirms affect to many areas, most notably : [4]

- a) Services and business models
- b) Profitability of business
- c) Reliability and continuous increase of efficient
- d) productivity
- e) IT security
- f) Machine and Human safety
- g) Product lifecycles increase
- h) Industry value chain environmental impact decrease
- i) Worker's education, skills and involvement increase
- j) Socio-economic factors improvement

Since Japan launched the 5.0 Society on January 21, 2019, in anticipation of the industrial revolution 4.0 that will degrade the role of humans, the concept of society 5.0 is the answer which is a human-centered concept using a technological basis that make humans to exist in the digital era and humans to have lived in technology-based of civilization center. For this reason the government needs to protect workers from the threat of losing their jobs with existing regulations, especially with the Labor Law so that they do not become victims of developing technology.

In the concept of Society 5.0, humans play a greater role by transforming big data into a new wisdom that ultimately increases the opportunity ability for humanity to achieve a meaningful life. Humanism in Society 5.0 is the basic capital to be accepted by the world community. Japan will be famous in the world by utilizing Internet of Things, big data, Artificial Intelligence (AI), robots and sharing of economy focusing on humanism.

Conditions in Japan are opposite to those in Indonesia where Japan has population deficit while Indonesia experiences a demographic bonus with its productive age group and after that in 2045 a decline leads to an era of aging society for Indonesia, industrial revolution 4.0 and society 5.0 if combined will become a national blue print. Society 5.0 restores the glory of human civilization because of its physical, digital, and biological collaboration, and completed with spiritual aspects, in this case religion, will again lead science.

IV. CONCLUSION

The impact of the industrial revolution 4.0 and society 5.0 is an increasingly global world so that national borders seem to be gone, in fact Indonesia's morals and

culture and national identity will be difficult to prevent the entry of foreign cultures.

Openness to globalization causes robots / machines to replace human work and human labor into secondary commodities because the use of machines is more profitable so that employment is reduced for man who do not have virtual thinking will be eliminated because it can be replaced by robots / machines but for man with education and special expertise, thinking ahead, his intelligence will still exist and cannot be replaced by robots / machines because man make robots so they are irreplaceable because they already thinking virtually into the future.

Human Resources are required to be able to improve services to the community with the maximum utilization of existing information technology and also to broaden knowledge, the ability to think critically, be able to solve problems, communicate, be creative and collaborate. Legal Confidence with legal certainty and electronic systems affect Economic Confidence that supports globalization.

The industrial revolution 4.0 and the industrial revolution 5.0 remind us not to forget about the mandate of the constitution, state sovereignty, protecting the people and educating and prospering the nation. Law and business are always influenced by globalization with new discoveries in the industrial revolution.

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