



# Legal Transformation in the Digital Era: Regulatory Adaptation and Innovation

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**Abstract.** The Industrial Revolution 4.0 (digital age) is characterized by a rapid expansion of new technologies, including artificial intelligence (AI) and the internet of things (IoT). Regulation and innovation in these fields focus on new challenges that arise with technological progress. Responsibility for its users is the difficulty in the usage of artificial intelligence (AI). Problems will arise when errors or losses occur in artificial intelligent use. This research aims to analyze the concept of user liability for errors or losses in artificial intelligent use in legislation-especially the ITE Act. As a normative legal research, this study uses conceptual approaches and legislation-especially the ITE Act. The results of the research show that there is no norm in the ITE Act that regulates who is responsible and forms its responsibility for errors or losses in artificial intelligent use. So far regulation, innovation in legal transformation has not yet been able to consider the interests of society, safety, efficiency, consumer protection and justice. A good legal transformation must be able to balance technological advances with adequate protection for all parties involved in legal transformations in the digital age.

**Keywords:** Transformation of Law, Regulation, Innovation

## 1 Introduction

### 1.1 Background of The Problem

According to Vant Kant, law is a set of mandatory rules that govern the interests of people in society [1]. A Roman philosopher named Cicero said "Ubi Societas ibi ius", meaning there is society, there is law [2]. The law must be able to bring justice

According to Utrecht, a society is required to abide by the law since it is a set of governmental laws (commands and prohibitions) that control social order [3]. legal product with societal purposes.

The law is the supreme ruler, which is very useful to protect society from the injustice of the ruler, but in practice the law is only the supreme ruler in a mythical world that does not materialize, especially in terms of justice. The law as commander-in-chief cannot be enforced because law is a political product and was created by authorities who have personal and group interests, so ideally law is made by parliament and

law enforcement agencies. power is a legal force that produces justice that is weak or cannot be upheld because politics is king in the world of reality.

Whether we realize it or not, technological developments as a result of development have brought about changes in almost all aspects of human life, and we cannot deny that the biggest revolution that has changed the modern lives of millions of people, is the invention of computers and the internet, which are developments in information technology (IT) [4].

Law is a symptom of a society that has many aspects. Law is rooted and formed in the interactive process of various parts of society and in the fields of ideology, economy, society and politics, culture and technology, it also determines the shape and characteristics of society itself, so that law is conditional in its dynamics and is conditioned by society, where the purpose of law is certainty, benefits and concrete justice in society.

Regarding legal developments in society, it is certain that they intersect with non-legal issues such as 1) technological developments affect law, 2) legal developments are influenced by technology, 3) influence each other in their development.

People can now freely get knowledge because to advancements in information and communication technologies [5]. There's also no limit to the information barrier, as people want to know more about what's going on around them. Everyone has easy access to information from around the world [6]. Society becomes critical and responsive to issues that arise, both political and social, that occur throughout the country.

Information technology innovation leads to civilization and subject welfare, it is not impossible to bring trends to new problems. It is only natural that law must be able to synergize with technological developments, where law must implement changes in this digital era, such as law must quickly adapt to technological developments (Adaptation). Furthermore, the law must always be able to offer a way out (Regulation) from problems caused by technology, and the law must also always be innovative. (Innovation) cannot to be left behind existing problems. The government has therefore released Law No. 19 of 2016 Concerning Amendments to Law Number 11 of 2008 Concerning Information and Electronic Transactions.

## **1.2 Problem formulation**

Based on the previous explanation, the problem that becomes the topic of this research is how to transform regulations in the digital era, an adaptation to regulation and innovation.

## **1.3 Research Objective**

Given the background information above, it is possible to determine that the purpose of this study is to present an overview of how information technology has affected people's lives in Indonesia in relation to the law. In order to satisfy the interests of clarity, benefit, and justice for the people associated to the development of modern information technology, it is intended to assess the government of the Republic of Indonesia's efforts in the area of law reform in the digital era.

## 2 Research Methods

Writing this research entitled "Legal Transformation in the Digital Age, Adapting to Regulations and Innovation" is a descriptive research based on normative. This writing will highlight or focus on an analysis and a brief description of how the digital era affects Indonesian legislation.

The approach to writing this research is normative descriptive based on problem identification. The writing uses field data and data in previous journals. The key data is information about the Indonesian Constitution and current regulations. Law supporting data, for example official documents, literature, research results/journals/articles,

Data studied/observed using qualitative methods. The analysis technique is carried out through interpretation, i.e. Legal materials are interpreted and developed based on applicable legal standards and theories. Use inductive reasoning methods to draw conclusions, e.g. systematic thinking from specific to general and deductive is thinking systematically from general to specific.

## 3 Results and Discussion

### 3.1 Law in Indonesia Is Related to Informatics Technology

Innovation in Indonesia in the field of law is related to human sociality with various social diseases caused by technology, which require law as a social regulator, which is the basis for creating an orderly, advanced and prosperous society. Legal development manifests itself as a normative means, which is a specific new legal product (lex expert).

The expansion of information technology has also eliminated international boundaries and sped up societal change [7]. Currently, information technology is a two-edged sword since, in addition to advancing human welfare, progress, and civilization, it also serves as a potent weapon for illicit operations.

Information technology makes cyberspace the newest digital product able to cross borders of geography and time, including the status of the state, which has previously been restricted geographically. According to Howard Rheingold, the Internet is fundamentally a made-up, virtual world where people conduct their daily social interactions in novel ways [9].

Informatics technology has the ability to influence people's lives, it is certain that new problems will emerge in people's lives, where the law always needs to be updated so that people's lives are orderly and safe, it is necessary to discuss these problems. The existing legal structure is built on the concept of positivism, which is essentially a formal physical activity with national jurisdiction based on regional boundaries. Now we examine the ability of legal meta-narratives to address developments in information technology.

Whereas the aforementioned change in reality does not always have a favorable impact because technological advancements always have two sides, including im-

proving human existence while also increasing comfort and crime. Technological advancements have a significant impact on the attitude and mentality of every person of society, both directly and indirectly, in both positive and negative ways [10]. Technology is a criminogenic factor, or a factor that makes someone desire to commit a crime or encourages him to do so, according to criminology.

Life continues to evolve in various models, as if it is offered a new option to carry out the enactment of national law, but it can enliven world life, even if it is able to spread localism everywhere law always develops according to the times, so we need to understand some of the characteristics of law. or modern laws, such as 1). written form; 2). Laws apply in all areas of the country; 3). Law is a tool that is consciously used to carry out people's political decisions.

Of the three (3) matters, law is a normative investigative rule that defines what is permissible and what is not to be done. Prescriptive standard investigation, that is defining what is allowed and what is not. Legal performance in the Republic of Indonesia, which has entered the digital era, is nevertheless influenced by the *das sollen* (which should be) area of judicial review.

Too formal, stiff, and informationally flexible national laws era of technology. Law is built according to the principle of legality, which is seen as a physically limited law. The goal of legislation is always more practical to consider all societal issues or to satisfy the political and economic objectives of the ruling class, all of which are obviously transient and local in nature.

The Pornography Law of 2008 44, which aims to combat uncontrolled pornography, pornography, Article 3 letter (a) maintains, creates an ethical order of social life, has noble personality and supports religious values and only God Almighty and Loving Human Dignity, Law Number 11 of 2008 concerning Electronic Transactions and Information which has been amended by Law of the Republic of Indonesia Number 19 of 2016 Amendment is the pioneer law regulating ITE and the use of internet transactions through the two (two) laws show that Indonesian laws are always being updated, especially in the field of information technology development, which has 2 (two) sides, namely positive and negative sides, therefore, it can be seen that Indonesian law follows its development in the digital age.

### **3.2 The Nature of Adaptation of Indonesian Law in the Digital Age**

Legal experts Nonet and Selznick say that our understanding of social change is incomplete when we look for ways of adaptation that produce new and sustainable historical alternatives when the *Gemeinschaft* (communal society) and *Gesellschaft* (Patembay people) change from status to agreement. From strict laws to courts [11].

Law must be able to adapt in the context of law enforcement related to regulatory developments in the digital era in Indonesia. Adaptive has a close meaning with the spirit and ability to innovate, creativity and proactive legal changes. The law is not only meant as a means of maintaining justice and it is very clear that it is committed to morality. Adaptation is a legally required ability to make changes to a new environment, factor, or area. That is why the law must adapt to the dynamics of the times. Within the Unitary State of the Republic of Indonesia, the law must uphold public and

private relations, prevent arbitrary action by the government, and settle disputes. From a legal point of view, it must adapt to the dynamics of the times.

The process of developing the Indonesian legal system is inseparable from elements of ideology, politics, economy, social culture, defense and religion, so making laws is not easy. There is always a push and a pull. The Indonesian legal system is an open system built on top of other subsystems. Law also relates to other people in the system. Counter versions arise in the process of drafting or amending laws because they cannot fulfill all of them when developing Indonesian laws. The Criminal Code is one instance of Indonesian law in the modern era. One of the articles of the Criminal Code that regulates blasphemy has received criticism from various groups, and the criminal act of blasphemy in the Criminal Code has also been implemented in other countries, such as the Netherlands. persecution of certain religious groups and minorities in the Netherlands"

According to Indonesia Dictionary, adaptive attitude and the ability easily adjust to the current situation that prevails. Adaptive has several examples of a person's actions. The attitude of adaptation is a very important attitude to live in society

The ability to adapt is closely related to the spirit and ability to innovate, be creative and be proactive in dealing with changes due to population and technological developments, especially in the field of information technology. The ability to adapt to current conditions is very important.

Law is the norm of social life, law as a social regulator must advance to become the vanguard of realizing an orderly, advanced and prosperous society. The development of Indonesian legislation is currently quite visible, because the very rapid population growth also affects social development. From this social interaction it is possible to have various conflicts in society caused by information technology

In connection with the development of information technology, it is seen that the laws currently being developed are very adaptive to technological developments in fields related to the public sector and the civil sector. E-commerce, also known as electronic commerce, is the process of purchasing and selling, transferring, or exchanging goods, services, and information through the internet. As e-commerce develops, Indonesian legislation changes to reflect this.

The legal system in business activities is generally the same both online and offline, where there is an element of agreement between the parties who will bind themselves in an agreement or agreement, which is related to the principle of freedom in Article 1338 paragraph (1) a provision of the Civil Code that reads, in part, "The agreement will be valid and binding and become the rules for the parties that are legally made". As long as what is agreed does not violate legal norms in the form of violating public order and immorality. The goal is legal certainty for the parties, included in the qualifications of legal products, therefore the next step in an agreement in the conventional system must be an agreement, but in the context of e-commerce trade, the consent is in the form of delivery of goods and payments, all of which are carried out without must face each other, but through technological networks such as payment via transfer and delivery of goods via ojol, Deliverree online courier, etc.

If in the process there is a default, such as 1) did not do what was promised, 2) did the agreement, but not completely, 3) carried out what was promised but was late, 4)

did something that was prohibited by the agreement. Then a prosecution can be carried out through Article 1267 which reads "Parties who cannot carry out the contract can choose: force the other party to carry out the contract, if it is still possible, or demand cancellation of the contract to replace costs, losses and interest. and because the actual problem of the agreement is private, in general the default is resolved amicably, only if it does not meet the meeting point, the parties submit to the court which has been agreed upon previously.

### **3.3 Indonesian Legal Regulations and Innovation in the Digital Age.**

Digital change is accelerating and causing changes in various areas of people's lives. Community activities that were previously carried out in a more traditional way are now becoming more modern with the help of Era Society 5.0 technology which leads to an increasingly rapid digital transformation, besides that community activities that were previously carried out traditionally are now also carried out traditionally. more modern with the help of developing technology. However, it turns out that the result of technological developments that have taken place has had a negative impact, one of which is cybercrime, because this crime is indeed an extraordinary crime [12].

Age of Society 5.0 is still being discussed in several countries, including Indonesia. It cannot be denied that even though the current conditions in Society 5.0 will not eliminate Mayantara crime or cybercrime in Mayantara, in fact Society 5.0 allows the integration of people, objects and systems in cyberspace as used in Artificial Intelligence (AI), namely computer. Technology with intelligent minds like humans and adaptable to human desires [8]. Thus, rapid changes in technology in the use of the internet have given birth to a crime that is often referred to as cybercrime. This crime is a criminal activity that uses a computer network as a tool and makes it a new cyber-crime target

Based on this statement, the prevention and eradication of cybercrime must be a serious concern for all parties, especially the government. The law acts as a protector, must be able to protect internet users and act decisively against cybercrime perpetrators of crimes. The nature of this Mayan crime is a crime without space and time boundaries, so eradicating this crime requires complex synergy and awareness that it is not just a government or police problem, but a problem. from all elements, both individuals, society and even the state.

Regarding regulations and innovative Indonesian law in the digital era, we realize that all technological advances definitely have a double value, namely positive and negative values. The use of technology facilitates living. in every element of life, including legal and governmental matters. But technology also has a negative impact on its users. Therefore, when drafting legislation, Indonesia also uses technology from the world of legislation, such as in the drafting process, and can combine documents carefully.

In the legislative process, synchronization of articles and harmonization of provisions is certainly easier than before, and community involvement as input regarding the contents of laws and regulations can now be carried out orally or in writing. The opportunity to participate has been opened since Law no. 12 and its implementing

regulations came into effect in 2011. Apart from paper products, legal products are also available in digital models. They think that everything distributed digitally is just as genuine as the original pdf file.

In Indonesia, the use of applications in the creation of laws and regulations is extremely advanced. The Legislative development Software Solution and other tools that aid in the development of laws have been utilized in a number of nations. Apart from that, the use of electronic signatures is a rule and innovative form of legal transformation in this digital era.

## **4 Conclusion**

### **4.1 Findings**

The convenience of the digital era affects, both positively and negatively. The digital world is very helpful in preparing regulations, because the digital world guarantees easy access

1. The legal framework continues to be strengthened on the basis of protecting communities, workers, companies and other stakeholders. Cyber law enforcement prevents fraudsters from committing the same crime again, so changes to the law by utilizing information technology in the digital era, adaptive, regulatory and innovative, such as legislation as follows:
  - a. Article 88 paragraph (1): The dissemination of these laws and regulations is carried out, for example, through print media and/or electronic media. What Law No. 12/2011 stating the Establishment of Legislation states
  - b. In accordance with Article 5 of Law Number 11 of 2008 Concerning Information and Electronic Transactions and Law Number 19 of 2016, electronic information, electronic documents, and printouts are admissible as proof.
  - c. Public bodies may use electronic and non-electronic means and/or media to fulfill their obligation under Law Number 14 of 2008 about Public Information Disclosure Article 7 paragraph (6) to disclose, provide, and publish public information to public information applicants.

### **4.2 Suggestion**

The government must make changes to laws more quickly because of the rapid development of information technology. Society to be more careful in using internet media because there is a track record that cannot be deleted/deleted

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