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ASEAN ECONOMIC COMMUNITY IMPACT FOR INDONESIA

Dr. Ariawan Gunadi, SH., M.H.

Abstrak

Memasuki masa Masyarakat Ekonomi Asean (MEA), yaitu dengan adanya satu pasar tunggal ASEAN dimana pergerakan barang dan jasa semakin bebas di kawasan ASEAN. Hal ini dapat mengakibatkan semakin ketatnya persaingan antar individu antar negara. Sehingga masyarakat Indonesia pun harus dipersiapkan menghadapi persaingan ini. Hal-hal yang dapat dilakukan pemerintah untuk meningkatkan kualitas persaingan masyarakatnya, yaitu dengan dibuatnya pelatihan-pelatihan kerja yang memadai dengan peraturan perundang-undangan yang mendukung, memfasilitasi tempat pelatihan kerja, memberikan tenaga pelatihan yang berkualitas, membangun kerjasama pelatihan antar negara dan harus ada koordinasi antara kementerian dan lembaga-lembaga yang ada. Menjaga kesejahteraan masyarakatnya memang menjadi tanggung jawab pemerintah, namun bukan hanya pemerintah tapi masyarakat itu sendiri harus ikut berpartisipasi. Perlu adanya penyuluhan-penyuluhan mengenai pentingnya daya saing menghadapi MEA ini, dan masyarakat disadarkan bahwa mereka harus mempersiapkan diri agar tidak kalah bersaing dengan tenaga kerja asing dari negara lain. Sehingga untuk mengatasi hal tersebut harus dengan meningkatkan upaya komprehensif ekstensifikasi

dan intensifikasi Balai Latihan Kerja. Gerakan kewirausahaan nasional juga perlu ditingkatkan gaungnya dan diikuti dengan program intensif khususnya bagi gerakan kewirausahaan di sektor pendidikan (Perguruan Tinggi-Akademisi), Usaha Kecil Menengah (UKM) dan kelompok industri lainnya untuk memperbaiki standar, kualitas, dan desain produk, serta kreatifitas dan inovasi dalam mengembangkan produk.

Keywords: ASEAN Economic Community, AEC, Human Resource, Indonesia, ASEAN, Small and Medium Enterprises, Challenges of Globalization

A. Introduction

ASEAN Economic Community (AEC) is an agenda of international economic integration of the member countries of ASEAN (Indonesia, Malaysia, Singapore, Brunei Darussalam, the Philippines, Thailand, Laos, Myanmar and Vietnam), which aims to reduce obstacles to the Southeast Asian regional trade in goods and services as well as foreign investment. AEC 2015 will form a regional economic integration by reducing trade transaction costs; improve trade and business facilities, as well as improving the competitiveness of Micro, Small and Medium Enterprises. This will create a free market in Southeast Asia, which would also boost competitiveness among its members.

Future implementation of the AEC in 2016 remains a big question for ASEAN widely and Indonesia are narrow, but it is inevitable globalization continue to ask countries to open up to one another the depletion boundaries between countries unstoppable due to technological advances and the needs of an increasingly globalized international community then inevitably ready or not all elements of the nation must be prepared. Because if Indonesia itself less competitive than other member states in

2015, the AEC will actually bring harm to Indonesia. For example, unemployment will increase because Indonesian laborers will have to compete with other laborers from other countries which are more. On the other hand, most Indonesian laborers aren't equipped with the proper skills nor certification to be recognized at regional level. Therefore Indonesia must be ready and able to compete with other countries members, to establish the readiness of course, requires a variety of business to be done.

B. The Existence of Indonesia in the ASEAN Economic Community 2015

1. Asean Economic Community 2015

ASEAN has a vision to transform the region of Southeast Asia into a stable, prosperous and competitive region supported by a balanced economic development, poverty reduction and socio-economic disparities between Member States.¹ Areas of cooperation AEC include human resource development and capacity building, recognition professional qualifications, consulting more closely at the macro-economic policy and financial measures trade financing, improvement of infrastructure and communications connectivity, the development of electronic transactions through e-ASEAN, integrating industry in throughout the region to promote regional resources, and increasing involvement of the private sector to build the AEC.²

In order to support the establishment of AEC member countries have agreed to establish the ASEAN Free Trade Area (AFTA), which begins

¹Asean Vision 2020, <http://www.asean.org/1814.htm>

²Hadi Soesastro dan Clara Joewono, *The Inklusif Regionalist*, (Jakarta : Centre For Strategic And International Studies Indonesia, 2007) hal.139

with a commitment to lowering tariff in goods between zero to five percent. To achieve the commitment of ASEAN Single Market in 2015, the situation would be improved by efforts to eliminate tariff (up to zero percent).³ The one and only ASEAN Market is not only refers to the concept of ASEAN as a single market, but also as a single production base will require liberalization of capital and skilled labor.⁴

After a wave of economic crisis hit most parts of East and Southeast Asia in the late 1990s, there was appearing calculations and analysis to be more responsive to the possible negative impact of economic liberalization. The incident has been reinforcing the legitimacy of alternative economic actors are more stable and "resilient" that had been have not be calculated theoretically within the paradigm of international relations, namely the SME sector. Trends in the development of SMEs in ASEAN, as well as the ASEAN economic integration cannot be separated from the influence of China Factor which was later adopted also by South Korea.⁵

Attempts to create competitiveness through competition law and policy, has been formed through the ASEAN Secretariat has resulted in a number of actions. Over time, the ASEAN Expert Group on Competition (AEGC) has handled structural ASEAN duties and has initiated the implementation of competition law across the region, namely Indonesia

³Ariawan Gunadi dan SerianWijatno, *Perdagangan Bebas dalam Perspektif Hukum Perdagangan Internasional*, (Jakarta : PT. Grasindo, 2014) hal.39

⁴Zainuddin Djafar, Moon Young Ju dan Anissa Farha Mariana, *Peran Strategis Indonesia dalam Pembentukan ASEAN dan Dinamikanya, Kajian Kebijakan Polugri RI, UKM Regional, Implikasi Liberalisasi Perdagangan, Realitas Piagam ASEAN dan Esensi Kompetisi Regional*, (Jakarta : Universitas Indonesia (UI Press), 2012), hal. 132

⁵Denis Hew, *Roadmap to an Asean Economic Community* (Singapore: Institute of Southeast Asian Studies, 2005) hal. 42

and Thailand (1999), Singapore and Vietnam (2004) and Malaysia (2012), while five other countries still in drafting stage.

2. Labor Market Competition

In the case of Indonesia entering the ASEAN Economic Community (AEC), some of the earliest issue includes labor competition and its relevance to the philosophical concept of AEC. It was an agenda of economic integration of ASEAN countries which aims to eliminate, minimize barriers in economic activity across the region, for example trade in goods, services and investment. The creation of AEC single market allows the country to sell goods and services easily to other countries across Southeast Asia so the competition will be intense. Trade and services will be unified and integrated in a common market. This means that businesses in Indonesia, especially for professionals who wish to expand their operations in ASEAN or opening branches in other ASEAN countries must understand the intricate employment law and permits to set up the employment service.

Based on data from the Population Division of the United Nations (UN) number population in ASEAN countries reached 633.1 million in 2015 with Indonesia's population reached 237,641,326 inhabitants by the year 2010 alone so that Indonesia is the country with the largest population in the ASEAN region.⁶ It can be an opportunity and a challenge for Indonesia in facing the ASEAN single market in 2015, the Government of Indonesia is required to produce a variety of regulations and policies appropriate for the purpose of ASEAN and National Objectives can be achieved in tandem. AEC 2015 could be a blessing for Indonesia but at the

⁶Badan Pusat Statistik Republik Indonesia, *Indikator Sosial Budaya 2003, 2006, 2009 dan 2012*, Badan Pusat Statistik Republik Indonesia, www.bps.go.id/tab_sub/view.php/tabel

same to be disastrous. AEC could be disastrous if the national services and products unable to compete. With free trade, we were able to increase exports but we must also be aware of the risks of competition (competition risk) that came up with the number of imported goods will flow in large quantities to Indonesia, which will threaten the local industry to compete with the products of our foreign much higher quality. This in turn will increase the trade deficit for Indonesia. As one of the founding members of ASEAN Indonesian, the government should make efforts to improve the performance of government agencies and non-government that already exist in the face of economic integration through the AEC.⁷

Sector Small and Medium Enterprises (SMEs) has already received attention in efforts to improve the economic competitiveness of Indonesia since the beginning of the 1998 financial crisis. History demonstrated that global financial crisis hardly impacted the Indonesian SME sector compared to banking or infrastructure sector which heavily depended upon foreign loans. It is why that SMEs deserves get a larger portion for development and more opportunities to compete in regional and international level in particular. AEC in 2016 will broadly impact the nations that relied on traditional market while revolutionizing commerce on trade and services. It is only fair that the Indonesian government rethink harder about integrating its national economy into Southeast Asia international standards or even offering it as alternative for young generation with short term training. As such, we can refer to the successful European economic model through the European Union.⁸ Hopefully by

⁷Dodi Mantra, *Hegemoni dan Diskursus Neoliberalisme: Menelusuri Langkah Indonesia Menuju Masyarakat Ekonomi Asean 2015*, (Bekasi : Mantra Press, 2011) hal. 97

⁸Georgetallie New Trends in European Companies' Business Models, Romanian Statistical Review nr. 12 / 2013

http://www.revistadestatis-tica.ro/wpcontent/uploads/2014/04/RRS_12_2013_A2_en.pdf

doing so, Indonesia can successfully achieve the goals of AEC while enhancing national defense and protect the national interest.⁹

3. ASEAN Economic Community Goal

ASEAN leaders have now embarked the Southeast Asian association to the next step of economic development, which will also ultimately bring the Southeast Asian peoples closer. They have engaged since 2007 towards the integration of ASEAN into an ASEAN Economic Community based on 4 economic pillars:¹⁰

- a) Single Market and Production Base: the region as a whole shall become a single market, while the and production base to produce and commercialize goods and services anywhere in ASEAN.
- b) Competitive Economic Region: the region must emphasize on the competitiveness of its production and capacity for export, as well as the free competition inside of its frontiers.
- c) Equitable Economic Development: to receive the benefits of the AEC, the people and businesses of ASEAN must be engaged into the integration process of the AEC.
- d) ASEAN's integration into the globalized economy: ASEAN must not be isolated but an integrated part of the global economy.

Through the implementation of these 4 pillars for economic integration, stability, competitiveness and dynamism, ASEAN is bound to

⁹C.P.F.Luhulima, *Dinamika Asia Tenggara Menuju 2015*, (Jakarta : Pustaka Pelajar bekerjasama dengan Pusat Penelitian Politik (P2P) Lipi, 2010) hal. 40

¹⁰Asean Economic Community Blueprint, www.asean.org

realize the principles of an Economic Community, inspired by the model of the European Union.

After the entry into force of the AEC, trade and services will converge and integrate into a common market. This means that businesses in Indonesia, especially businesses who wish to expand their business in ASEAN or dealing with businesses in other ASEAN countries must understand the applicable business law in force in member countries, including competition law.

4. The role of the Government of Indonesia Facing AEC

1. Indonesia Welfare State

Indonesia is a legal state characterized by the welfare state as in paragraph 4th preamble of Indonesian National Constitution of 1945 ("NRI 1945") states as follows: "The Government of the State of Indonesia was formed to protect the entire Indonesian nation and the entire homeland of Indonesia and to promote the general welfare, educate life of the nation, and participate in implementing world order based on freedom, lasting peace and social justice ". Paragraph 4 of the preamble NRI 1945 above imply that, by adopting the task of the state in organizing the general welfare, the establishment of various regulations in the Republic of Indonesia became very important; the role of the state in charge of social welfare in the field of legal, social, political, economic, cultural, environment, defense, security and social justice organized through the establishment of state regulations. In a welfare state, the government's job is not only limited to execute the laws made by the legislature. As a matter of fact, the government is burdened with the obligation to hold a public interest or social welfare efforts, which includes implementing the authority to intervene in public life, within the limits permitted by law. As such, the intervention could be implemented by increasing the capacity of

the people to participate in the legal, social, political, economic, culture, the environment, defense and security as well as social justice.

There are two reasons to maintain and develop the welfare state concept in AEC as an international trade fever: 1) most country still intervenes in the welfare affairs, but while still maintaining a democratic system in their varieties. Welfare state demonstrates the involvement of the state in various aspects of community life since people have long surrendered their rights in return for protection. As result government tends to develop bureaucracy and complex government affairs due to the enormous amount of citizens. Ultimately the involvement of the people in the government will be increasingly difficult (even to oversee the functioning leader or choose their representatives who will sit in parliament on central or regional level).¹¹ 2) Government affairs in modern countries seems inevitably expanding at a great speed.

Modern state government has entered so much of the life of society, ranging from constitutional rights, nuclear issues, defense and security, welfare and even personal information privacy. Free trade may bring a promise of prosperity and wealth, but also risks the breach of implicit exploitation or national security breach as the cost of liberal flow of information. Even major countries such as China and Australia have been actively filtering information in order to maintaining positive image for economic purposes.¹²

¹¹ Charles P. Kindleberger, *Government and International Trade*, Essays in International Finance No. 129, July 1978, https://www.princeton.edu/~ies/IES_Essays/E129.pdf

¹² Ioana Bianca Berna, *The China-ASEAN Free Trade Area. Transferring the Halfhearted Evidence*, Knowledge Horizons-Economics. Vol 5:1, pp 48-55, http://www.orizonturi.ucdc.ro/arhiva/2013_KHE_PDF_Vol_5_SI_1/KHE_Vol_5_SIss_1_48to55.pdf

2. Role of Government

In the new mass society, the role of government - which is a set of institutions that hold a monopoly on the use of the organized forces of affairs at home and abroad - forced changes. State as an organized political society requires a certain degree of stability in the social system to maintain balance. To achieve this, it is not only necessary to adjust demands and supply, which is being promoted by various groups in the governance of social and economic order, but also required the creation of a focused on the conditions of social welfare demanded by the new doctrine of equality. Thus the government as a tool of the state, is increasingly forced to accept responsibility for the creation and distribution of positive wealth. In this way, nearly all government in the world, has become a big organization, both in its scope, as well as in the number of employees required to develop its responsibilities, however, along with the growing number of civil servants, also means increasing numbers of people (these employees) which can be a victim of the regime's suppression through arbitrary manners.¹³

In connection with the purpose of the state of Indonesia, as stated in the preamble of NRI 1945, experts said that the purpose of the State as it reflects the type of state welfare laws. Welfare State theory laws is a mix between the concept of the Rule of law and the welfare state into a more condensed form of state law.¹⁴ State law is the State as the law is the basic rule and the holding power in all its forms is done under the rule of law. While the concept of the welfare state considers the state or the government does not merely as guard security or public order, instead it advocates that the executive, legislative and judicative bearers of authority

¹³Miriam Budiarto, *Masalah Kenegaraan*, (Jakarta :Gramedia, 1982), hal. 77-79

¹⁴Philipus. M. Hadjon, *Kedaulatan Rakyat, Negara Hukum dan Hak-Hak Asasi Manusia*, (Jakarta : Media Pratama, 1996) hal. 72

bears the responsibility of realizing social justice, general welfare and the welfare of the people.¹⁵

3. Challenges of Globalization

Indonesia's readiness to face the challenges of globalization should be reinforced with internal reinforcement, the quality of human resources that have global competitiveness must be improved. The government's role in preparing it is essential, especially in the face of ASEAN single market in 2015, as an agreement to ensure sustainable development is beneficial. For generations present and future and put the well-being and the livelihood and welfare of the people as the center of the ASEAN community building process. The regional cooperation provides an opportunity for Indonesia. However, these opportunities can be exploited if Indonesia is able to meet various requirements, including the ability of the state to prepare for the ASEAN single market competition. If Indonesia is not prepared for the single market, then it is very possible that the state will become a marketing target of other ASEAN countries. The ability to compete will deteriorate and opportunities for domestic businesses to compete regional level will be very hard since small and medium-sized businesses often does not have adequate requirement to start up. Baier and Bergstrand stated that human resources is a long term strategy to defeat free trade competition. His statement asserts that leaders will have the ultimate

¹⁵Paul Spicker, *Poverty and the Welfare State : Dispelling the Myths*, (Cataylst Trust, 2002) hal. 37

responsibility to determine the company's human resources as competitive advantage amid rapid technological sophistication.¹⁶

Labor is among the sensitive sector being proposed in AEC, it is small wonder that industrial owners need to improve their skills or their competitive advantage in order to adjust and compete in the professional community. Increased skills (skills upgrading) is a joint responsibility for the government, professional institution and business. It is predicted that the enactment of AEC 2015 will create free flow, whether implicitly or in droves, of skilled labor between countries. Therefore, the concept of services liberalization through reduction or barriers, should focus on the movement of individual service providers, especially foreign workers who provide specific expertise and comes to consumer countries. Boediono commented "on the existence of foreign worker who are attracted by numerous job opportunities that required specified advanced skills, with flexibility on employment relationship in Indonesia"¹⁷ Based on the understanding, despite the abundant laborers in Indonesia, most of them are unskilled or at least being used as nominee figures in companies that are actually run by foreigners in management level or owner. In many case, a skilled workforce will provide a boon to consumer services as countries have already agreed upon standards for various priority areas. Our current national legislation has yet to accomodate the applicability of

¹⁶ Scott L. Baier and Jeffrey H. Bergstand, "Do free trade agreements actually increase members' international trade?" *Journal of International Economics* Volume 71, Issue 1, 8 March 2007, Pages 72-95

¹⁷ Aprilian Hermawan, *20 Tahun Lagi Indonesia Kebanjiran Pekerja Asing*, Kabar 24.com, <http://kabar24.bisnis.com/read/20101220/79/15749/20-tahun-lagi-indonesia-kebanjiran-pekerja-asing>, 20 Desember 2010.

the foreign worker must comply with the provisions of legislation in force in Indonesia.¹⁸

4. Efforts in Improving the Quality of Human Resources

With the acceleration of the qualified human resources, AEC member states require various steps to dominate the regional economy in ASEAN region especially in economic trade. Knowledge, development, and localization of resources is a sound step in optimizing the competitiveness of Indonesia. Emerging economic societies, higher education and professional is in dire need of the knowledge of the AEC application among Indonesia. The simple nature of economic trade is Indonesia should be developed in order to cope with the electronic advances, especially the government. Even so, there are several issues to be settled for AEC state members:

- a) Policy should be disseminated about AEC, for all levels of society;
- b) Each district or city government shall enforce socialization at the district and village level;
- c) University should pursue a curriculum that is suited to AEC standards to generate qualified graduates;
- d) The government should pursue efforts to disseminate information regarding applicable knowledge of AEC;
- e) The government should create policies that enforce AEC for all related stakeholders and apply sanction for offenders.

¹⁸Whimbo Pitoyo, *Panduan Praktis Hukum Ketenagakerjaan*, (Jakarta :Visimedia, 2010), hal. 4

Facilities supporting human resources needs to be put forward to facilitate the government's desire to achieve the goal in the AEC competition and so did the desire of its own for the advancement of human resources in Indonesia. The facilities for the acceleration of human resource quality comprises of:

- a) The Government will facilitate a job training and other skills training such as (research, technological development, innovation, etc).
- b) Provide faculty or qualified trainers.
- c) Establish a training cooperation with other countries, and provide facilities to add science scholarships abroad.
- d) Facilitate physical such as providing funds for the survival of human resources quality improvement.

Facing AEC, Indonesians should keep in mind to conform to Article 28C paragraph (1) Constitution NRI 1945 stating that "everyone has the right to develop themselves through the fulfillment of basic needs, is entitled to education and to benefit from science and technology, arts and culture, in order to improve the quality of life and for the welfare of mankind." For that reason, every Indonesians should be provided with the right to develop themselves, to get an education in order to improve the quality of life and well-being. This is in line with the objectives of AEC which was to empower local employment, raise business efficiency and reserve domestic rights to upgrade the skills or the quality of life to prosper. So it can compete with skilled labor that goes into Indonesia without having to be a spectator or the injured party in their own country. On the other hand, Labor Law have mandated vocational training to the work force. It simply aimed to direct, provide, improve, and develop job

competence in order to improve the capability, productivity, and prosperity.¹⁹

Job training carried out with regard to labor market needs and the business world should be declared mandatory both inside and outside the employment relationship. Workers has the right to obtain a proof of work competence after following vocational training organized by vocational training institutions at government, private, cooperation between higher education entity-industry or even internal training in the workplace. The recognition of work competence certification may also be followed with practical tuition for experienced practitioners or consultants. Job competence is set out by a national body of certifications. From a regulatory perspective, article 18 of the Labor Law stipulated the provision of job competence certification as well as the formation of National Profession Association. Furthermore, the provisions of Article 20 paragraph (1) and (2) of Labor Law mandates the development of a national vocational training system which is the hallmark of implementation of vocational training in all areas and/ or sectors to support the improvement of job training in order to manpower development. In addition, provisions concerning the form, mechanism and institutional system of national job training are supplemented by Government Regulation No. 31 Year 2006 on the National Vocational Training System. Overall, the Labor Law mandates the establishment national professional certification in order to provide competency certification for workers. Job competence certification is the process of awarding the certificates of competence are carried out systematically and objectively through

¹⁹Abdul Khakim, *Dasar-dasar Hukum Ketenagakerjaan Indonesia*, (Bandung : PT. Citra Aditya Bakti, 2009) hal. 27

competency test referring to the standards of competence Indonesian national and/or international.

The Ministry of Manpower and Transmigration Ministry which is in charge of representing the government in creating a productive, competitive and prosperous labor and community. Vocational Training is a program under the auspices of Agency for Research, Development and Information Sector Employment Issues, specifically under the Ministry of Manpower and Transmigration. The program is directly related to the development of human resources (HR), but the program has yet to receive any important role in the development of national labor due to many obstacles.

The various solutions to overcome the obstacles in the provision of training and job skills in Indonesia, as follows:

- a) The Ministry of Education and Culture should work hand in hand with the Ministry of Manpower and Transmigration in order to prevent the frequent duplication of training;
- b) Ministries/agencies and private agencies should conduct substantial training with substance along with industries to generate real values for graduates;
- c) The Ministry of Manpower and Transmigration should create laws that regulate clearly about the training, at least at government level regulation as guidelines for;
- d) Training Center Unit Technical Center of the Ministry of Manpower and Transmigration, which concerns vocational, equipment and materials, instructors, and the proportion of the budget plays a vocal point for the implementation of the regional potential job skills training;

- e) Job skills training program should be harmonized with productivity improvement programs to create not only qualified human resource, but also skillful worker that is attentive to the developing market.;
- f) The development of productivity in the service requires a relatively large area to be followed by an increase in service capacity (institutions, instructors, methodology);

The company and the workforce should focus at job skills training for workers as part of an investment and a necessity.

D. Indonesia's Readiness for AEC2015

1. Public Awareness

Despite the dominant role in improving the quality, it does not mean the entire responsibility lies with the government. On the contrary, the awareness from the impact of AEC will be felt directly by the community, and may generate a separate independent responsibility to participate in building the national economy. Labor issues will undoubtedly become an important issue since Indonesia enjoys one of the highest growing rate but inadequate skills or specifications. A research by Amity et. al. even identified that only 10% of the workers have high school education and this phenomenon actually inhibits country aiming to become a production base since the cost became higher due to training employees or importing trainers.

The flow of capital and investment from outside has limited dredge crops and educated workforce into a spectator in his own country. For that, it would be wise to consider Indonesian agricultural sector as Indonesia's main commodity in the AEC by way of strengthening the inter-regional connectivity to be a part in the ASEAN level, and then at the global level. In addition, every region should develop its unique and comparative

advantage, technological innovation and preparation of supporting infrastructure in order to improve competitiveness, harmonization of procedures, regulations, and standards that lead to improved quality and food safety (referring to the AEC Blueprint), and socializing AEC down to the grass-root level of society. Other issues to be addressed would be intellectual property rights in ASEAN level, since the level of legal certainty has never reached a convincing level. For example, Inter IKEA System B.V lost a dispute with IKEA owned by PT Ratania Khatulistiwa and Ferrari from Italia vs Ferrari Indonesia owned by PT. Bali Nirwana Garment. Both cases lost due to the first to file principle as accorded in Article 61 paragraph (2) (a), Law No. 15 Year 2001 on Trademark, whereas registered trademarks which have been left dormant by its owner maybe delisted from the General List of Trademark. Indonesia has yet to adopt a universal famous brand standard in its intellectual property rights law, so legal standards deserved more attention to create better advantage in regional level.

Indonesia is a country with the largest population in the ASEAN region. It is also a heterogeneous country with various types of tribes, languages and customs that spread from Sabang to Merauke. The state has a developed good economic strength and highest growth in the world (4.5%) after the People's Republic of China (PRC) and India. Such potency shall be a necessary capital to prepare the people of Indonesia towards AEC 2015.

2. Strategic Recommendations for Indonesia

Strategic recommendations to prepare Indonesia faced AEC 2015 in an effort to improve the quality of human resources needs support from various stakeholders through a comprehensive effort expansion and intensification Training Center to cover the still low labor competitiveness, the Institute for Standardization Profession in Indonesia, which reached 78

needs to be optimized through the adoption of international standards (ASEAN) applies. Entrepreneurship movement national also necessary to increase noise and is followed by an intensive program, especially for the movement of entrepreneurship in the education sector (Universities-Academics), Small and Medium Enterprises (SMEs) and industry groups to improve standards, quality, and product design, as well as creativity and innovation in developing the product.

Ministry of Commerce in an effort to respond to the challenges of globalization narrowly been preparing themselves for the effort to achieve consumer protection and secure the domestic market by establishing the Directorate General of Standardization and Consumer Protection through the Minister of Trade No. 31 year 2010 has been enhanced with the regulations of the Minister of Trade No. 57 Year 2012 on the Organization and Administration of the Ministry of Trade with the mission of improving the competitiveness of exports, increasing supervision and consumer protection, and acts as the manager of policy and implementation of development programs at once on trade security in the country.

Broadly speaking, the chances of Indonesia to meet AEC include obtaining a potential market share of the world, as a Country of investment opportunities as exporting countries, the liberalization of trade in ASEAN, the demographic bonus is great, service sector which is open, and capital flows more smoothly and continuously. While the challenges to be faced, among others, the rate of increase in exports and imports more competitive, increase in the rate of inflation, the negative impact of capital flows more broadly, their similarities export products featured so as to be more creative to find and manage superior products and the economic development level is still diverse.

E. Conclusion

AEC 2015 is a program for ASEAN countries to improve economic quality. AEC 2015 could be a blessing for Indonesia but at the same to be disastrous. AEC could be disastrous if our agricultural products unable to compete. State Government of Indonesia that protect the entire Indonesian nation and the entire homeland of Indonesia and to promote the general welfare, educating the nation, and participate in implementing world order based on freedom, lasting peace and social justice. Paragraph 4 of the preamble NRI 1945 above imply that, by adopting the task of the state in organizing the general welfare, the establishment of various regulations in the Republic of Indonesia is very important, the role of the state in charge of social welfare in various fields as well as social justice organized through the establishment of rules State. So that Indonesian workers are also included in the government's responsibility to pay attention to well-being that in this case the readiness to face competition from foreign labor. Indonesia's readiness to face the challenges of globalization should be prepared with internal reinforcement; the quality of human resources that have global competitiveness must be improved. The government's role in preparing it are essential especially in the face of ASEAN single market in 2015, as an agreement to ensure sustainable development is beneficial.

Indonesia is a country with the largest population in the ASEAN region. A strategic recommendation to prepare to face AEC 2015 Indonesia needs support from various stakeholders through a comprehensive effort expansion and intensification Training Center. Profession Standards Institution in Indonesia needs to be optimized through the adoption of international standards (ASEAN) applies. Entrepreneurship movement National also necessary to increase noise and is followed by an intensive program, especially for the movement of entrepreneurship in the education sector (Universities-Academics), Small and Medium Enterprises (SMEs) and industry groups to improve standards, quality, and product design, as well as creativity and innovation in developing the product.