

BANKRUPTCY THREATS OF CONVENTIONAL ENTERPRISES IN THE INDUSTRIAL REVOLUTION 4.0: ECONOMIC, FINANCIAL AND SUSTAINABLE DEVELOPMENT

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ABSTRACT

The Industrial Revolution 4.0 as the development of modern civilization has felt its effects on various aspect of life, the penetration of technology that is completely disruptive, making changes more quickly, as a consequence of the phenomenon of the Internet of Things (IOT), big data, automation, robotics, cloud computing, to artificial intelligence (Artificial Intelligence). The development of globalization which is rapidly increased to this day has had an impact on all aspects of human life, such as economic, social, political and legal. There are five industries which are focus from the implementation of Industry 4.0 in Indonesia, namely food and beverages, textiles, automotive, electronics and chemicals. However, this industrial revolution did not come without bringing new problems. If the government is unable to make regulations related to business models with new technology, social fragmentation has the potential to widen economic inequality and cause bankruptcy for conventional companies.

For this reason, bankruptcy regulations in Indonesia during the Industrial Revolution 4.0 era should ideally support the interests of the business community in addition to supporting legal certainty.

Keywords: Bankruptcy Threats, Financial and Sustainable Development, Industrial Revolution

INTRODUCTION

The industrial revolution 4.0 is in coming, Indonesia is no exception. Since the President of the Republic of Indonesia announces officially a roadmap called 'Making Indonesia 4.0', this topic has become a subject of discussion in various sections of the community. Of course, the development of globalization which is increasingly rapid to this day has had an impact on all aspects of human life, such as economic, social, political and legal. One of the engines of change from globalization is the field of business that continues to evolve and adapt to the pace of change (Mertokusumo, 1980).

But the dynamics behind of the change, the law seems to move slowly to compensate, in the Dutch adage called "het recht hink achter de feiten aan"¹ (The law lags behind the facts). So as in every previous industrial revolution, there are always new opportunities and threats. The biggest threat is the possibility of conventional companies that cannot follow the development of the industrial revolution threatened with bankruptcy because they are eroded by companies that are actively following the changing times. For this reason, the government is obliged to address business needs in the face of the industrial revolution to protect the national industry (Schwab, 2016).

RESEARCH METHODS

This type of research in this paper is normative. While the research specifications are descriptive, namely describing the problem in accordance with the research title. The secondary data used consists of primary legal material in the form of legislation such as the 1945 Constitution, Law Number 37 of 2004 concerning Bankruptcy and Delaying Obligations of Debt Payment and secondary legal materials in the form of books, journals and writings relating to research title. Data analysis method is done qualitatively. The data that has been collected is chosen and arranged in a systematic outline so that conclusions can be drawn on the problem under study.

RESEARCH RESULTS AND DISCUSSION

Industrial Revolution 4.0

The rapid development of globalization which is marked by technology makes people unable to go hand in hand with time. This period is industry 4.0. Industry 4.0 is the fourth industrial period which in various literatures says that the stages of industry are divided as follows:

- 1) Phase 1: Industries that have adopted mechanical machines that began since the invention of steam engines;
- 2) Phase 2: Industries that have adopted electricity which are characterized by mass production;
- 3) Phase 3: Industries that have adopted computers and automation;
- 4) Phase 4: Industries that are already utilizing cyberspace

Industry 4.0 is a trend in the industrial world that combines automation technology with cyber technology. In industry 4.0, manufacturing technology has entered the trend of automation and data exchange. This includes cyber-physical systems, Internet of Things (IOT), cloud computing, and cognitive computing. In short, Revolution 4.0 instills intelligent technology that can be connected with various fields of human life (Rose, 1994).

Prof. Klaus Martin Schwab, German technician and economist, who is also the founder and Executive Chairman of the World Economic Forum, introduced it for the first time. In his book *The Fourth Industrial Revolution*, he mentioned that we are now at the beginning of a revolution that fundamentally changes the way of life, work and relate to one another². The 4.0 Industrial Revolution is predicted to occur in 2025. Artificial intelligence is empowered to handle various human problems related to information needs. According to Schwab in his book entitled *Fourth Industrial Revolution* it is said that the advancement of artificial intelligence and automation can replace human labor as a whole. This means that organizational needs for human resources will begin to diminish and the work will be replaced by robotic technology that uses artificial intelligence.

Effects of the Industrial Revolution on Business

Business activities in the process of production, distribution, and consumption in nature continue to look for ways to reduce costs and seek maximum profits, so that effective, efficient and easy will continue to be pursued. History proves that science and technology have a very important role in economic activity. This condition makes the economy one of the factors driving change not only in technology. Many things that were unthinkable before, suddenly appeared and became a new innovation, and opened up a very large business area. The emergence of transportation with ride-sharing systems such as Go-jek, Uber, and Grab. The presence of the industrial revolution 4.0 indeed presents new businesses, new jobs, new professions that were unthinkable before. There are five industries which are the focus of the implementation of Industry 4.0 in Indonesia, namely food & beverage, textile, automotive, electronics and chemicals (Badruzaman, 1994)³.

The industrial revolution certainly has both positive and negative influences on the business world. The positive influence, the rapid development of technology will encourage changes in people's behavior, and an increase in needs will encourage changes and the creation of business opportunities and new jobs. Changes and new business opportunities are driven by the development of internet usage. This opportunity is also realized by business people to utilize the internet in the business process. The use of the internet in the process of doing business will continue to experience growth. Start from electronic information exchange to business strategy applications, marketing, sales, to customer service. The internet will also support global communication and cooperation between employees, consumers, sellers, and other business partners. In addition, the internet also allows people from different organizations or locations to work together as a virtual team to develop, produce market and maintain products or services.

However, this industrial revolution did not come without bringing new problems. If the government is unable to make regulations related to business models with new technology, social fragmentation can potentially widen economic inequality. The presence of online transportation in addition to providing opportunities for creating new jobs also give a risks to make new unemployment if it cannot be anticipated. Conventional transportation drivers such as taxi drivers and public transportation, have the opportunity to enter the unemployment gap due to the emergence of online transportation which is considered much cheaper and more comfortable in the eyes of the public today. Not just conventional transportation company drivers, we still haven't talked about the possibility of lying off employees due to the company's revenue drop. Similar to conventional transportation service providers, traders in traditional kiosks are being displaced by the wave of e-commerce through the emergence of various online shops. Traders lose out and end up bankrupt because online stores provide goods that are more varied, cheaper, and easily accessible (Wijayanta, 2014).

The SWOT Analysis of the 4.0 Industrial Revolution in Indonesia is as Follows:

Strength

The Indonesian government has begun to tidy up responding to industrial changes by launching the roadmap "Making Indonesia 4.0" as a strategy to smooth Indonesia's steps to become one of the new forces in Asia in April 2018. This roadmap provides clear directions for future national industrial movements, including a focus on developing priority sectors which will become Indonesia's strength towards Industry 4.0. The government chose the food and beverage, textile, automotive, chemical, and electronics sectors as the focus of the 4.0 Industrial Revolution program. The selection of the five sectors is not without reason, in addition to the easier implementation because it is better prepared; the sector can also have a major impact on Indonesia's industrial and economic growth. This was revealed by Minister of Industry Airlangga Hartanto in the 202th Obsat event titled "Towards Indonesia 4.0" at the Paradigm Cafe, Jakarta (Friday, 05/11/2018). In addition, Airlangga asserted that the five sectors also had a large contribution to exports, labor, and Gross Domestic Product (GDP).

Weakness

Despite having a large number of Human Resources (HR) and abundant natural resources, Indonesia has a low quality of human resources. Because of the low quality, the productivity of Indonesian labor is also low. Indonesian labor productivity ranks fourth at the ASEAN level and ranks 11th out of 20 ASEAN Productivity Organization (APO) member countries. Meanwhile, for competitiveness, Indonesia is currently ranked 36th out of 137 countries at the ASEAN level and 9th out of countries recorded in The Global Competitiveness Report 2017-2018.

Opportunity

With the implementation of Industry 4.0, a large national target can be achieved. The targets include bringing Indonesia into the top 10 of the world economy by 2030, returning the industry's net exports by 10 percent, and increasing the productivity of industrial labor by two times compared to increasing the cost of industrial labor by adopting technologies and innovations that can create more or less 10 million new jobs in 2030.

Threat

The industrial revolution 4.0 did not come without bringing new problems. One of the problems that may be caused by this revolution is the bankruptcy of conventional companies, the creation of unemployment which is influenced by the widening of economic inequality. This can happen because digitization can shift the conventional role in the market. Conventional transportation drivers such as taxi drivers, public transportation, and taxis have the opportunity to enter the unemployment gap due to the emergence of online transportation which is considered much cheaper and more comfortable in the eyes of the public today. Not only that, traders in traditional kiosks can lose money and eventually go bankrupt due to the e-commerce wave through the emergence of various online shops that provide goods that are more varied, cheaper, and easily accessible (Sjahdeini, 2002).

Not only digitalization, in the future, the use of robots in supporting autonomy in the realm of the manufacturing and service industries will be increasingly inevitable. This is driven by the company's desire to cut costs caused by human resources. The demand for wage increases that is not accompanied by productivity is one of the problems that are often experienced by companies related to human resources. Rapid technological developments, sooner or later will affect the demand for labor in the future. In the future, labor demand is shifting. The industry will tend to choose middle and highly skilled labor rather than less-skilled labor because its role in doing repetition work can be replaced by autonomous robots.

Effects of Bankruptcy Laws on the Industrial Revolution Era 4.0

Indonesia is a country based on law. As a consequence, law must be used as a basis for implementing economic development. According to Sulistiono & Muhammad (2009), economic development cannot be separated from legal development because between economics and law are two things that influence one another. Industrial Revolution Era 4.0, requires professionalism and business acceleration as well as business efficiency. Those who are not able to move quickly and at the same time business efficiency will be "eroded" era and then "collapse" or bankruptcy.

High business activities result in high business risks, which in some cases lead to bankruptcy, due to the inability to overcome competition. On the other hand the provisions regarding bankruptcy are still having problems, especially when viewed in terms of community justice. This can happen, because Law No. 37 of 2004 concerning Bankruptcy and Suspension of Obligation for Payment of Debts is indeed made in an emergency, which should have required adjustments.

The company's inability to follow the trends of the industrial revolution resulted in several companies already on the verge of bankruptcy because the company was unable to pay debts to its creditors. This situation greatly influences the company's ability to meet its obligations to repay debt both from credit loans and obligations to meet other achievements. Debt is an obligation that arises because of an agreement or by law that must be fulfilled by the debtor to his creditors, and if the debtor cannot fulfill these obligations, then the creditor's right arises to get fulfillment from the debtor's assets through bankruptcy. Bankruptcy is a legal institution that has an important function in the field of material rights related to the rights and obligations of legal subjects. This institution is a realization of the provisions of Article 1131

and 1132 of Indonesian Civil Code which regulates the responsibilities of legal subjects (individuals and legal entities) for their commitments.

As the intent and purpose of bankruptcy can be quoted in "Introduction" from Australia Bankruptcy Law that states: "When a person is unable to pay her or his debts and is in a hopeless financial position, the law should enable proceedings to be taken, either by the debtor or by a creditor, so that most kinds of the debtor's property can be taken and used to pay the creditors in proportion to the amounts owed to each of them"⁴.

If the debtor does not fulfill the obligation to pay his debt, in addition to the right to collect (*vorderingsrecht*), the creditor has the right to collect the debtor's wealth (*verhaalsrecht*) as much as his debt to the debtor⁵. To find out what is meant by debt in civil law, we must first look at the meaning of the engagement. "An agreement is a relationship that occurs between 2 (two) or more persons about the assets with one party entitled to an right and performance and the other party is required to fulfill that performance⁶. At first it was understood that the achievement must be in the form of money, but the further development of the achievement was defined not always in the form of money, but could also be in the form of goods or services.

The right to performance is commonly referred to as receivables and the obligation for performance is called debt. According to Article 1234 of Indonesian Civil Code, every agreement is to give something, do something or not do something. Means that performance must be certain or can be determined whose form can be in the form of money, goods or services. According to Article 1233 of Indonesian Civil Code, the source of the engagement is not only agreements but also laws including acts against the law that require debtors to fulfill certain performance. So the basis for the occurrence of debt between the debtor and creditor is an agreement or tort based on the Act.

The definition of this debt is not only from debt and receivables agreements, but also those from other agreements even tort whose performance can be valued in money. Debt in the narrow sense is derived from debt and receivables agreements only. In dealing with this debt problem, seen from the attitude and actions towards creditors there are 2 (two) groups of debtors. Debtor group with good intention (debtor good faith) is distinguished from debtor group with bad intention (debtor bad faith). The principle of "good faith" law needs to be applied to protect creditors from the possibility of debt manipulations on the part of "debtor bad faith". Debtors with bad intentions can be seen from the efforts of the debtor in managing their company by not referring to the principle of duty of care, while debtors who have good intentions can be seen from business policies (business judgment) conducted which are truly guided by the principle of duty of care so as not to cause harm to the company and its creditors. In the event of a debt and debt dispute between the debtor and the creditor, the bad faith debtor has no other choice than to submit it to the court (in court) with an ordinary civil procedure (single creditor) or through a bankruptcy process if there are two or more creditors. For debtors of good faith, before an attempt is made in court, it is necessary to look for other efforts that can save the debtor's company so that it benefits both parties.

Bankruptcy regulations in Indonesia should ideally support the interests of the business community in addition to supporting legal certainty. Until now, there have been three laws and regulations relating to bankruptcy regulations. The first legislation enacted is the product legislation of the Dutch era, *Staatsblad (Stb) 1905 Number 217 juncto 1906 Number 348* concerning *Verordening op de Faillissement en Surceance van Betailing (Faillissement Verordening)*. These laws and regulations were later revoked by the enactment of Law Number 4 of 1998 concerning Explanatory Notes on Government Regulation In Lieu of Act of the Republic of Indonesia Number 1 of 1998 concerning Bankruptcy into Law (UUK) and the latest Act was also later revised and revoked with the enactment of Law Number 37 of 2004 concerning Bankruptcy and Suspension of Obligation for Payment of Debts⁷.

Law No. 37 of 2004 concerning Bankruptcy and Suspension of Obligation for Payment of Debts was enacted on October 18, 2004. The background of the promulgation of this provision is inseparable from the monetary crisis in 1997 - 1998. This crisis condition has

caused enormous difficulties in national trade and the economy in general. The ability of the business world to develop its business has been severely disrupted because of the crisis. In the end it will interfere with their liquidity capability, thus affecting their ability to meet their debt payment obligations. This has a chain effect so it must be resolved immediately. One of quick and "effective" way is to make new provisions concerning Bankruptcy and Suspension of Obligation for Payment of Debts, or change the "frame" of judges and curators from normative to progressive.

The main requirement to be declared bankrupt, in accordance with Article 2 paragraph (1) is that a Debtor has at least 2 (two) Creditors and does not pay off one of his debts that is due. In this payment arrangement, it concerns both the Debtor's own interests and the interests of his Creditors. With the verdict of the bankruptcy, it is expected that the Debtor's bankrupt assets can be used to repay all Debtor debts fairly and equally⁸. Furthermore, Article 8 paragraph (4) of Law No. 37 of 2004 Concerning Bankruptcy and Suspension of Obligation for Payment of Debts explains that the application for a statement of bankruptcy must be granted if there are facts or conditions that are simply proven that the requirements for bankruptcy as referred to in Article 2 paragraph (1) have been met.

Based on these two articles, the decision of the bankruptcy can be quickly dropped by the Commercial Court judge. In times of crisis such a model is appropriate to apply because it requires prompt handling, so that debtors are not free from liability. However, after the crisis, this provision was still applied, even though the conditions were different. In terms of legal certainty, it is guaranteed, but not in terms of justice. This then causes problems, for example, the bankruptcy of Telkomsel decision and the bankruptcy decision on Kemanggisian Residence Apartment in Jakarta, the bankruptcy decision handed down in the two cases above is considered by the public to be a controversial decision because both companies are still very capable of being able to pay their debts due to the large assets they have.

An increase in the number of Bankruptcy and PKPU applications to the Commercial Court which results in the bankruptcy of large and medium-sized companies, when a company goes bankrupt or is declared bankrupt, the loss is not only the Debtors, but also the stake holders of the debtors which consist of⁹:

- a) The country lives on taxes paid by the bankrupt debtor companies.
- b) People who need job opportunities, employees and workers who work in the companies of bankrupt debtors.
- c) Small and medium traders who supply goods and services to the bankrupt debtor companies.
- d) Small and medium entrepreneurs who depend on their live from the supply of goods and services produced by the companies of bankrupt debtors.
- e) Customers, depositors of funds in banks that have been declared bankrupt (at the request of BI pursuant to Article 2 paragraph 3 of the Bankruptcy and PKPU Law).
- f) Businessmen, including small and medium entrepreneurs, who obtain credit from banks that are declared bankrupt.

One of the companies affected by the industrial revolution is the retail industry, including 7-Eleven. PT Modern Sevel Indonesia (the respondent) has debts that are due and can be billed to both PKPU applicants. The debt to Petitioner I of PT Soejach Bali was worth Rp1.83 billion and Petitioner II of PT Kurnia Mitra Duta Sentosa amounted to Rp. 261 million. The two PKPU applicants are fast food suppliers to 7-Eleven outlets. The debt towards the 2 PT MSI vendors has matured since 2016. The Assembly considers the debt can be proven simply, so that the PKPU request is in accordance with Article 8 paragraph (4) of Law no. 37/2004 concerning Bankruptcy and PKPU. In October 2017 based on the results of the voting reconciliation proposal of the creditors of PT MSI, especially concurrently received a reconciliation proposal. PT MSI did not go bankrupt. However, the 7-Eleven store managers has decided to stop all Sevel operational activities since 30 June 2017 due to continued losses.

Court decision of PT Modern International Tbk. to no longer continue the operation of the 7-Eleven convenience stores is drawing reactions from many parties. Some said the company was unable to face business challenges in the industrial revolution era; some called it a victim of regulation. So learning from the experience of several conventional companies that closed down due to displaced in the industrial revolution era, the Government in responding to the industrial revolution era has prepared four strategic steps as conveyed by Minister of Industry Airlangga Hartarto on the sidelines of his agenda attending the 2017 World Economic Forum on ASEAN in Phnom Penh, Cambodia, that is¹⁰:

- 1) Encourage the human resource in Indonesia to continue learning and improve their skills to understand the use of internet of things technology or integrate internet capabilities with production lines in the industry.
- 2) Utilization of digital technology to increase productivity and competitiveness for small and medium industries (IKM) so that they can penetrate the export market through the e-smart IKM program. With the SME e-smart program as an effort to expand markets in the world value and face the era of Industry 4.0.
- 3) National industries can use digital technologies such as Big Data, Autonomous Robots, Cybersecurity, Cloud, and Augmented Reality that will benefit the industry, for example increasing efficiency and reducing costs by around 12-15 percent.
- 4) Technological innovation through startup development by facilitating business incubation sites. This effort has been carried out by the Ministry of Industry by encouraging the creation of technology-based entrepreneurs produced from several techno parks built in several regions in Indonesia, such as in Bandung (Bandung Techno Park), Denpasar (TohpaTI Center), Semarang (Semarang Business Center Incubator), Makassar (Makassar Techno Park - Rumah Software Indonesia, and Batam (Mobile Design Center).

Threat of Bankruptcy of Conventional Companies in the Industrial Revolution Era 4.0

Bankruptcy of conventional companies in the Industrial Revolution 4.0 era must be avoided as much as possible. Because of the magnitude it causes is very large on the country's economy condition including employment opportunities. If all conventional companies categorized as large companies (qualified) are declared bankrupt, then it can be imagined that the result will be impact a big shock in the economic and social sectors nationally. To overcome these situation solutions need to be finding so that these companies are not immediately requested to be declared bankrupt. Therefore the state has an interest so that a conventional company is not easy to be declared bankrupt. The banking world and other financial institutions are also very interested so that companies should not be immediately bankrupt if there is still a possibility to be rescued and restored. "In banking practice, banks are willing to provide new credit, commonly called injection loans, to maintain the life of the debtor's business activities if they still have good prospects¹¹." The potential and business prospects of conventional companies must be protected because it is a pillar of the country's economy.

Article 1 paragraph (1) Explanatory Notes on Government Regulation In Lieu of Act of the Republic of Indonesia No. 1 of 1998 jo. Law no. 4 of 1998 jo. Article 2 paragraph (1) of Law No. 37 of 2004, technically many large and medium-sized companies will meet the (qualified) requirements for bankruptcy throughout Indonesia, as a result there will be many companies that are out of business, abandoned projects, companies that have decided to continue relations with companies, other companies will lack business, which will bring negative to the country's economy¹². The parties that went to court were national and international scale companies with exceptional transaction/expenditure values. This will have a major impact on the level of unemployment in Indonesia, which according to calculations in February 2019 the Open Unemployment Rate (TPT) reaches 5.01 percent¹³, as well as about 7 million Indonesians who are unemployed.

Important Points as the Indonesian Government's Concern in the Prevention of Bankruptcy in the Era of the Industrial Revolution 4.0

There are 2 things that should be concern of the Indonesian government in preparing for the industrial revolution 4.0:

Human Resources Preparation & Changes to Law Number 13 of 2003 concerning Labor

The importance of efforts to improve the quality of human resources and the importance of changes to Law Number 13 of 2003 concerning Labor. One of the efforts that can be done by the government in order to improve the ability of Indonesian workers is to specialize through vocational training courses and training which become a necessity for prospective workers to meet future work needs.

Then, there are at least 3 things that need to be regulated in the revision of Law 13 of 2003. First, industrial relations, namely how the relationship between employers and work recipients (workers) is no longer a permanent and static relationship, but is a friendship or partnership. In this relationship, workers may work for a number of different companies. So, in a work relationship like this, the workplace does not have to be monotonous in a building and the time is flexible. Second, the employ cost or salary of workers. Calculation of payment can be hourly, per day, per week or per month, depending on the agreement or agreement and according to the level of expertise. In the context of employment relations and payroll systems like this, of course, if there is termination of employment, the name of severance pay is unknown.

Third, industrial relations justice. In the new regulation a case must be regulated as to what is included in the scope of industrial court. Industry 4.0 might bring disaster to Indonesia if the key to its success, namely improving the quality of human resources, is ignored. Although the unemployment rate in 2016 has been lower since 1998, autonomy is still a serious threat to the unskilled workforce whose role will begin to shift slowly. Then, if the second thing, namely the revision of Law Number 13 of 2003 concerning Manpower, is also ignored, so that it cannot accommodate industry 4.0. As a result, industry 4.0 implementation will not run optimally.

Providing Legal Certainty for Businesses in Indonesia & Changes to Law Number 37 of 2004 concerning Bankruptcy and Suspension of Obligation for Payment of Debts

The role of law in industrial development in the industrial revolution era 4.0 is in the form of regulations (regulations) as a legal umbrella that regulates the function as a guide in the implementation of national industrial development. The aim is to realize the real legal function of creating justice, legal certainty and expediency for national industrial development. In addition, the law also acts as a means of reform in industrial development where the law must not hinder the development of technology in the industrial field to create a fair and equitable welfare for all Indonesian people.

Then, there are at least 6 things that need to be regulated in the revision of Law Number 37 of 2004 concerning Bankruptcy and Suspension of Obligation for Payment of Debts:

- 1) First, the main emphasis is related to the lack of certainty in the implementation of Article 2 paragraph (1) of the Bankruptcy Law regarding 'debt that is due and collectible'. Second, some commercial judges do not have sufficient track records or expertise in understanding and deepening the essence of bankruptcy law, both at the District Court and the Supreme Court level.
- 2) Second, the education of prospective commercial judges is considered too short and the selection of commercial judicial candidates is unclear. Ricardo suggested that commercial cases should be settled in the High Court, as was done in Singapore.
- 3) Third, there is no legal certainty regarding the time frame for case resolution.
- 4) Fourth, in practice, there is confusion about the implementation of the ladder of creditor's claim priority. There is no legal certainty about the implementation of separatist rights when faced with the right of tax

- collection and labor rights. There was also no attempt to prove the alleged fictional creditor, and there was a violation of the law of proof in the event that the Commercial Court required a 'other creditor' in the trial.
- 5) Fifth, the exercise of the right to propose peace proposals by debtors is unrealistic. The reason is, the right to propose a peace proposal in article 144 is the right of the bankrupt debtor, but the submission under Article 145 of the Bankruptcy Law is unfair for bankrupt debtors who still have legal remedies.
 - 6) Sixth, there is no certainty about the right of execution of the separatist creditor to the bankruptcy loan that has been guaranteed the material rights associated with Article 56 and Article 59. Seventh, there is no certainty to the protection of curators and also to the procedures for calculating curator fees or management.

CONCLUSION

Industry 4.0 in Indonesia will attract foreign and domestic investment, because industry in Indonesia is more productive and able to compete with other countries, and strives to be better accompanied by an increase in the ability of Indonesian workers to adopt technology. Mental revolution must also be carried out; starting from changing the negative mindset and fear of industry 4.0 which will reduce employment or the paradigm that technology is difficult. We must strive to continuously improve learning abilities, skills that are in line with the needs of the industrial era 4.0, so that we will have stronger competitiveness. We certainly hope that industry 4.0 remains in control. There must be a joint awareness of the government, business and community, that a major change in Industry 4.0 is an inevitable necessity. Industrial Revolution Era 4.0 requires professionalism and business acceleration as well as business efficiency. Those who are not able to move quickly and at the same time business efficiency will be "eroded" era and then "collapse" or bankrupt.

ENDNOTES

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