

LEGAL PROTECTION AGAINST UNFAIR COMPETITION BETWEEN MINIMARKETS AND TRADITIONAL TRADERS IN AMBON CITY

Rory Jeff Akyuwen, University of Pattimura

ABSTRACT

Modern minimarket retail businesses (Indomaret and Alfamar) can also be found in Ambon City, where these two modern retail businesses stand to compete with each other to attract consumer interest. Indomaret and Alfamart are located in strategic places, besides that the place is clean and equipped with air conditioning, making these places more attractive to consumers. For the occurrence of market domination in Article 17 Paragraph (1) of Law Number 5 Year 1999 concerning Prohibition of Monopolistic Practices and Unfair Business Competition, regulations concerning prohibition of market domination. In order to avoid losses to small businesses and the interests of the wider community can be fulfilled without harming consumers, it is necessary to meet requirements in the form of antitrust and business competition policies along with other related regulations.

This research was carried out using a normative legal research method using a legal approach and a conceptual approach. The technique of collecting legal materials used in writing this research is a library research technique.

The results of the study indicate that: 1. Efforts to protect small business actors in traditional markets are needed at this time with the existence of statutory regulations that need to be clearly added to the current competition legislation so that the expansion and development of modern markets can be clearer without having to kill the existence of traditional markets. 2. It takes supervision from the Ambon City Government to present business licenses to Alfamart and Indomaret or other modern stores that are growing rapidly in Ambon City. This is needed so that small business actors do not feel left out by emerging modern shops so that there is no business competition or market competition by one party.

Keywords: Legal Protection, Unfair Competition, Minimarket, Traditional Traders

INTRODUCTION

In order to improve the economy, the Indonesian people try business opportunities by opening businesses, both individually and in groups. However, along with the development of technology and information accompanied by increasing needs, it encourages people to fulfill their needs in various ways, one of which is instantaneous. Based on this, the community needs a place that can fulfill their life needs completely or what is called a market. Markets in everyday life are defined as public places that serve buying and selling.

Of the many modern retail businesses that are developing in Indonesia, the most common are Indomaret and Alfamart. Indomaret itself is managed by PT Indomarco Prismatama (Indofood Group) while Alfamart is managed by two companies namely Alfa Group and PT. HM Sampoerna, Tbk. The two business actors continue to compete for profit, there is not only one outlet in each city but there are dozens of outlets that stand to attract interest and meet the needs of the community. Indomaret and Alfamart are spread almost all over Indonesia. In big cities the number is in the tens. This can also be found in Ambon City, where these two modern retail businesses stand side by side

competing with each other to attract consumer interest. Indomaret and Alfamart are located in strategic places, besides that the place is clean and equipped with air conditioning, making these places more attractive to consumers.

To avoid the occurrence of market domination in Article 17 Paragraph (1) of Law Number 05 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, regulates the prohibition of market control which states that: "Business actors are prohibited from exercising control over the production and or marketing of goods and or services that may result in monopolistic practices and or unfair business competition". To avoid the occurrence of losses to small businesses and the interests of the wider community can be fulfilled without harming consumers, it is necessary to meet requirements in the form of antitrust and business competition policies along with other related regulations.

Article 33 paragraph (4) of the 1945 Constitution of the Republic of Indonesia (UUD NRI 1955) states that the national economy is based on democracy with the principles of togetherness, efficiency, justice, sustainability, environmental insight, independence, and maintaining a balance of progress and unity, national economy. A national economy based on the economy to achieve justice and prosperity for the whole community, without or for traditional market business actors, small business actors. Article 4 of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises regulates the principle of empowerment of micro, small and medium enterprises.

Article 4 letter d, one of the principles of empowerment is to increase the competitiveness of micro, small and medium enterprises. In Article 4 letter d, empowerment is carried out in order to increase the competitiveness of micro, small and medium enterprises. Article 4 paragraph (1) Presidential Regulation Number 112 of 2007 concerning the Arrangement and Development of Traditional Markets, Shopping Centers and Modern Stores has regulated the establishment of development centers and modern shops must take into account the socio-economic conditions of the community, the existence of traditional, medium-sized markets in the area concerned and pay attention to the distance between the hypermart and the existing traditional market. This has been made available so that small and medium-sized businesses and traditional markets previously, would not be left out because of the construction of the modern shop.

In addition to these regulations, a more specific regional regulation is needed regarding the arrangement of modern shops that have sprung up in many regions. The rapid growth of modern shops with close proximity will result in small and medium-sized businesses belonging to the community and traditional markets to be difficult to compete. For this reason, supervision from the Ambon City Government is needed to present business licenses to Alfamart and Indomaret or other modern stores that are growing rapidly in Ambon City. This is needed so that small business actors do not feel left out by the emergence of modern shops so that there is no business competition or market dominance by one party and traditional traders in Ambon City.

LITERATURE REVIEW

Theoretical Framework

Theory of Justice

According to Plato as quoted by Suteki and Galang Taufani, justice is beyond ordinary human capabilities. The source of injustice is the change in society. Society has principal elements that must be maintained, namely: (Suteki & Taufani, 2018).

- a) Strict division of classes; for example the ruling class which is filled with shepherds and guards must be strictly separated from the human sheep;

- b) Identification of the destiny of the state with the destiny of its ruling class; special attention to this class and its unity; and adherence to its meetings, rigid rules for the maintenance and education of these classes, and strict supervision and collectivization of the interests of its members.
- c) From these principal elements, other elements can be derived, for example: (Suteki and Galang Taufani, 2018).
- d) The ruling class has a monopoly on all things such as military profits and training, and the right to own arms and receive all forms of education, but this ruling class does not participate in economic activity, especially in the pursuit of income.
- e) There must be censorship of all intellectual activity of the ruling class, and constant propaganda aimed at unifying their thoughts. All innovations in education, regulation, and religion must be heeded or emphasized.
- f) The state must be independent. The state must aim at autarky, otherwise the economic rulers will depend on the merchants, or the rulers themselves become the merchants. The first alternative, control them, the second alternative will meet the ruling class and its state.

To realize justice, society must be returned to the structure of mourning, sheep become sheep, shepherds become shepherds. This task is the duty of the state to bring about change. Thus justice is not about the relationship between individuals but the relationship between individuals and how individuals serve the state. Justice is also understood metaphysically as a quality or function of superhuman beings, whose nature cannot be observed by humans explain it, that the realization of justice is shifted to another world, beyond human experience; and human reason which is essential for justice to submit to God's unchangeable ways or God's unforgettable decrees.

Justice according to Aristotle, distinguishes between "distributive" justice and "corrective" or "remedial" justice which is the basis for all theoretical discussions on the subject matter. Distributive justice refers to the distribution of goods and services to everyone according to their position in society, and equal treatment of equality before the law. In the *Ethica Nicomachea*, for example, Aristotle sees justice between the disputing parties as a basic prerequisite for a good life in the polis. In that context, he distinguishes 3 (three) kinds of justice, namely distributive, reparative, and commutative. The principle of commutative justice deals with transactions between parties involved in exchange or trade, (Angga La Ode, Dyah Ridhul Airin Datie, Popi Tuhulele, Sabri Fataruba, Iqbal Taufiq, 2021)

For example: First, there must be a comparison between the goods exchanged, and second, there must be mutuality; all goods exchanged must be comparable. For the purpose of money used, and in a certain sense to be an intermediary. The number of shoes that can be exchanged for a house (or for a food number) must equal the ratio of a house builder to a shoemaker. Aristotle expresses justice with the expression "for the same things are treated equally, and the unequals are treated unequally, in proportion" (justice consists in treating the equal and the unequal unequally, in proportion to their inequality", (Angga, La Ode Latupono, Labetubun & SabriFataruba, 2020).

Furthermore, according to John Rawls, justice is basically a principle of rational policy that is applied to the conception of the sum of the welfare of all groups in society. To achieve this justice, it is rational if someone wants to satisfy his desires in accordance with the principle of usefulness, because it is done to increase the net profit from the satisfaction obtained by members of his community, (Suteki & Taufani, 2018).

Equality can lay down the principles of justice, because basically it must be a guide so that people can take a fair position while still paying attention to their individual interests, and acting according to their rights and not violating applicable laws. Thus, justice is closely related to the rights and obligations of the parties in carrying out the agreement as a form of responsibility. Therefore, there are 2 (two) objectives of the theory of justice proposed by John Rawls, namely: (Suteki & Taufani, 2018).

- a) This theory seeks to articulate a series of general principles of justice that explain the various moral decisions that are seriously considered in our particular circumstances. By "moral decisions" he meant the series of moral evaluations we have made and if they lead to our social actions. Moral decisions are weighed on the moral evaluations we make reflexively.
- b) Rawls wants to develop a theory of social justice that is superior to Rawls' theory by referring to "average" (average utilitarianism). The point is that social institutions are said to be fair if they are devoted to maximizing profit and utility. Meanwhile, the average utilitarianism views only that social institutions are said to be fair if they are devoted to maximizing the average profit per capita. For the second version of utilitarianism "profit" is defined as the satisfaction or benefit obtained through choices.

Two of John Rawls' principles of justice are the main solutions to justice, namely: First, the principle of equal freedom as much as possible (the principle of the greatest freedom). These principles include, namely:

- a) Freedom to participate in political life (rights to vote, right to run in elections);
- b) Freedom of liberty (including freedom of the press);
- c) Freedom of belief (including religious belief);
- d) Freedom to be oneself (person); and
- e) The right to retain private property.

The second principle consists of 2 (two) parts, namely the principle of difference (principle of difference) and the principle of fair equality of opportunity (principle of fair equality of opportunity). The core of the first principle is that social and economic differences must be regulated so as to provide the greatest benefit to those who are most disadvantaged. The term socio-economic difference in the principles of difference refers to inequality in a prospect for the main outcomes of welfare, income and authority. While the term most disadvantaged (most disadvantaged) refers to those who have the least opportunity to achieve prosperity, income and authority prospects (Suteki & Taufani, 2018).

Business Competition Concept

Business Competition Law is often considered to be inherent in a country that adheres to a market economy system. The existence of Business Competition Law, since the enactment of the Sherman Act in the United States which is the first form of business competition law enforcement, has produced pros and cons. Groups who certainly value the importance of Business Competition Law so that the market remains competitive and consumers are protected from business actors who act rudely. Meanwhile, groups that contradict the principles of business competition law actually violate the principles of a liberal economy and excessive intervention by the market state (Tanjung, 2021).

One of the strong opponents of the existence of Business Competition Law is Murray N. Rothbard. Rothbard is one of the economists whose perspective moves from the paradigm of the Austrian School. Like other Austrian School advocates, Rothbard believes in minimal state intervention in the economy. However, in its development, Rothbard took a more extreme point in rejecting the state and was considered the originator of the flow of Anarcho-Capitalism which tended to be totally anti-state towards interference in various fields (not only economics).

One of Rothbard's well-known views is his cynical view of the application of Competition Law in the United States. In his book *Power & Market: Government and the Economy*, Rothbard considers Business Competition Law as a legal product that is vague and crowded with meanings that cannot be explained by giving the government and courts the authority to define what is meant by "monopolistic crime". Rothbard added that many business actors did not know why it was

considered a violation of the Business Competition Law until they were guilty of an unknown mistake (Rothbard, 1970).

Another attack on Rothbard against the Competition Law was when it carried out collusion between business actors. Collusion, such as cartels and price fixing, is prohibited so any form of agreement must be prohibited. Likewise, the establishment of a company building must be abolished by collusive agreements and therefore only companies can be allowed to exist (Rothbard 1970, 34). Rothbard's harsh views had no supporters. One Republican congressman and former United States legislator, Ron Paul, in 1999 even proposed to the United States government to propose a US Antitrust Law and restore the market purely without intervention with a new law called the Market Process Restoration Act of 1999.

RESEARCH METHODS

This research was conducted using normative legal research methods. This research approach uses a legal, approach and conceptual approach. The technique of collecting legal materials used in writing this research is a library research technique (La Ode, Datie, Tuhulele, Fataruba & Taufiq, 2021).

RESULTS AND DISCUSSION

Putting Policy before Punishment: The Role of the State in Business Competition

One of the criticisms of the enforcement of the Business Competition Law is its punishment of large business actors (monopolist). In fact, it could be that the monopolistic position obtained by a business actor is obtained from his efficient business activities and therefore it is his right, for example, to raise prices. After all, in the end, it is very possible that there will be new entrants who can take advantage of the price increase set by the incumbent business actors and make the market competitive again. The "anti-big company" policy is of course very unfair and violates the inevitability of the market economy: who does it? win in the competition he is the ruler in the market.

Another criticism is about the economic measures used in punishing business actors who are considered to have committed violations. Economic calculations are very likely to be dynamic and can be refuted from time to time. Take for example a monopolist business actor is considered to apply an excessive price and therefore is considered detrimental to consumers. The question is, how to determine the exact *tempus delicti* (time of the crime) from the action? It is very possible, in the ongoing judicial process, prices will fall due to factors in a dynamic economy but business actors are still being processed. Things like this often lead to an assessment that the Business Competition Law does not prioritize legal certainty.

The mantra of a liberal economy whose orientation is competition in the market is that there is a level playing field that can be enjoyed by everyone who tries to do business. Enforcement of Business Competition Law certainly makes this concept one of the main objectives. The question is, can this be achieved by miraculously punishing business actors who are considered anti-competitive?

The level of creation of the playing field in business competition cannot be achieved with penalties that are vulnerable to legal uncertainty. Competition policy, apart from being achieved through a judicial process (curative), can also be obtained by creating an industrial climate that is friendly to the business world and has wide open business access (preventive). The state does not only always play a role, through business competition such as the Business Competition Supervisory Commission (KPPU) in Indonesia, as a punishment provider. The state should only focus on creating initial arrangements in certain industries so that access to the market for business

actors can be opened as wide as possible and therefore prevent entry into the market to a minimum. The existence of preliminary arrangements at the beginning can minimize interventions through the enforcement of the Business Competition Law which is unnecessary and oriented towards punishment.

The existence of a monopoly or oligopolistic position must absolutely be determined to impose penalties because both are purely market structures born from the market mechanism itself. The existence of several articles in Law Number 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition which are still about monopoly and oligopoly (also monopsony and oligopsony) should be considered because they are very vulnerable to being used for an anti-"big business actor" approach to punishment. Even if it is necessary, the enforcement of Business Competition Law can be carried out, of course carefully, more on collusive actions such as price fixing or cartels which must also be clearly quantified the losses they cause, especially to consumers, (Tadjung, 2021).

The market based on economics is a mechanism where sellers and buyers interact for goods and services. While the market in everyday life is defined as a public place that serves buying and selling. In connection with that, we are familiar with the term retail market, the retail market in principle can be interpreted as a place of business in which there is a mechanism between retail traders and final consumers for certain goods in small parties (amounts/units). According to its development, this market is divided into two major parts, namely the modern retail market and the traditional retail market. The modern retail market consists of three forms, namely: minimarkets, supermarkets, and hypermarkets. While the traditional retail market consists of stalls and grocery traders (Suseno, 2007). The franchise retail store business is growing very rapidly through the franchise system. As a business actor, competition between retail franchise stores is starting to become clear, especially from building and building franchised store outlets, one of which is modern retail Indomaret and Alfamart.

Indomaret and Alfamart are supermarket chains with many branches in Indonesia. These outlets generally sell a variety of food products, beverages and other necessities of life. More than 200 food products and other necessities of life are available at competitive prices, meeting the daily needs of consumers. Although the Indomaret and Alfamart mini markets are relatively small, the products sold are quite diverse and complete. The location is easy to reach and also the comfortable atmosphere, making not a few people who prefer to shop at Indomaret. Not only selling products such as food and daily equipment, Indomaret also provides transaction services. Transaction services such as ticket payments, electricity and water bills, to online service payments can be made at Indomaret and Alfamart. With the various facilities available in it, without realizing it, Indomaret and Alfamart businesses can grow rapidly in Indonesia.

People's interest in shopping at minimarkets has also increased due to the opinion that modern markets (minimarkets) are neater, cleaner and more practical than traditional markets, although not a few people choose to be loyal to traditional markets. This is a shift from functional needs to psychological needs. Functional needs are needs that are directly related to the shape or appearance of the product, while psychological needs are needs associated with mental needs of consumers that can be met by shopping or buying a product. Regarding this matter, there are problems that occur due to the existence of Indomaret and Alfamart, namely the impact of the existence of Indomaret and Alfamart on MSMEs in Indonesia.

Dewi said that the entry of investment to invest in the modern market sector is a challenge for the activities and economic development of small people in this case are micro, small and medium enterprises in traditional markets. Moreover, the existence of traditional markets in urban areas is increasing and even threatened with bankruptcy with the rapid increase in growth and development of modern market development (Komang & Dewi, 2018).

He further stated that the entry of investment to invest in the modern market sector is a challenge for the activities and economic development of small people in this case are micro, small and medium enterprises in traditional markets. In its development, the existence of traditional markets is increasing and even threatened with bankruptcy with the rapid increase in growth and development of modern market development. The entry of investment to invest in the modern market sector is a challenge for the activities and economic development of small people in this case are micro, small and medium enterprises in traditional markets. The real concern is not only felt by traditional traders, but also among franchised retail stores. Strength is indeed owned by franchised retail stores, but when compared to supermarkets or hypermarkets, the existence of retail stores is not a tough competitor. Franchise retail stores have not been able to win the business competition that occurs between franchised retail stores and supermarkets and hypermarkets.

The Form of Legal Protection for Unfair Competition between Indomaret/Alfamart and Traditional Traders in Ambon City

Trade is one of the sectors in the economic system, which plays a role in bridging the production and consumption sectors. The form of trade is retail, which is a form of trade that directly meets the needs of life or consumption of many people which has grown rapidly in every area in Ambon City. Not only one outlet but in every corner in Ambon City, especially in the downtown area franchise retail stores have succeeded in winning the hearts of the people in Ambon, this can be proven by the increasing number of outlets being opened in various places in Ambon.

The rapid development of modern markets can have an impact on traditional markets. Because modern markets are professionally managed with satisfying facilities and seem more comfortable than traditional markets, this will certainly attract the attention of consumers so they prefer to fulfill their needs by shopping at modern stores, one of which is Alfamart/Indomaret.

To find out the impact of the proliferation of supermarkets, one of which is Alfamart/Indomaret, the researchers collected data based on the results of research obtained from researchers from interviews with small shop owners around minimarkets in Ambon City where in this study researchers focused on the experience of the presence of Alafamart/Indomaret against small traders in the area around the city in Ambon.

Based on research obtained from interviews with small shop owners in urban areas in Ambon City on the positive appearance of Alfamart/Indomaret, namely that on average or out of ten small shop owners feel the impact of the existence of Alfamart/Indomaret, both the impact and the negative who feel the two impacts. Of the 15 small shop owners, 13 small shop owners felt the negative impact of the presence of Alfamart/Indomaret, 2 small shop owners felt the positive impact and felt normal. This shows that the existence of Alfamart/Indomaret will not only have a negative impact but also have a positive impact and even have no impact at all on small stalls that were before the establishment of Alfamart/Indomaret, 2 shop owners who experienced a positive impact and felt that they had not changed the presence of Alfamart/Indomaret around the shop. This positive impact is because it can make it easier for shop owners to shop at Alfamart/Indomaret to meet the needs of stalls and households, especially if Alfamart/Indomaret hold price promotions for goods, while shop owners can buy and resell them at normal prices in their stalls, this is certainly possible small shop owner.

Shop owners who feel they don't feel the impact of the existence of Alfamart/Indomaret because they feel that their customers are still loyal to shop at their stalls, this is because local residents are lazy to shop at Alfamart/Indomaret because the location is considered far from their home, they need goods quickly and quickly how to shop at a small shop close to their house and

teenagers around the gomong area prefer to shop at their shop by buying cigarettes and drinks such as coffee or other brewed drinks because they are considered cheaper.

The existence of the impact felt by the owners of small stalls requires a strategy in sales, these strategies must be carried out to overcome the impact of the existence of Alfamart/Indomaret around their stalls so that their business can continue to run and not experience business closures. Like what Mr. Nyong, as the owner of a small shop in the Batu Merah area, stated that the strategy I took to keep customers and the public still shopping here was to provide goods that were not sold at Alfamart/Indomaret, one of which was cakes/frieds and brewed drinks.

This monopoly practice does not have to be carried out by one company alone. Two or more different companies can cooperate with enough power to create a monopoly. For example, three companies individually will not be able to monopolize the market, but the merger is carried out by the three companies, this will then lead to monopolistic practices in business activities. Wild Actions in business activities that prevent new economic actors from entering the market freely or inflict losses on them, so that they cannot compete properly. Price Discrimination (price discrimination).

Monopoly actors can control power with incentives to discriminate prices. In various ways, the monopolist can divide buyers into different classes and charge a higher price from one party to the other. The monopolists do this openly, for example by offering relatively lower prices to young people, retirees, students, government employees or selling the same product with a different brand or the regular model with the luxury model. Price discrimination can also be carried out in secret by offering a discount greater than the cost or selling price saved by large buyers as a result of the sale amount.

Such price discrimination is aimed at maximizing the benefits (profits) that will be obtained by entrepreneurs or shutting down the business of other producers who have the potential to compete with business activities (Usman, 2006). Monopoly Practices in Competition between Modern Stores and Traditional Markets Business competition in the business world forces every business person to survive and even develop a business, this is due to increasingly diverse consumer needs so that business people must be observant in using strategies to attract customers.

Small business is one of the business actors who participate in this competition. One of the competition that must be faced by small businesses, among others, is the rapid development of modern markets which are felt by many parties to have an impact on the existence of traditional markets, most of which are small individual businesses. On the one hand, the modern market is managed professionally with complete facilities. On the other hand, traditional markets are still busy with classic problems surrounding unprofessional management and shopping inconvenience. Modern markets and traditional markets compete in the same market, namely the retail market.

Almost all products sold in traditional markets can be found in modern markets, especially hypermarkets. The retail business is considered prospective, giving rise to extraordinary competition, another competition that is also a new market competition for small businesses is the rapid growth of minimarkets with a franchise system that also competes in the same market competition as the retail market.

Minimarket with the first franchise system was Indomart in 1988, at first it was not conspicuous because people tended to rely on grocery stores around their settlements for daily shopping) certainly has an impact on retail, similar businesses that have a smaller scale, such as shops in residential areas. How not if the people's shopping habits were initially in stalls near their settlements for their daily needs, turning into shopping habits in air-conditioned stalls or mini markets which are more comfortable and have the freedom to shop. The impact given may be in the form of positive or negative impacts, positive impacts such as increasing the ability to compete, while the negative impact can be a decrease in sales turnover (Salim Kartono, 2007).

The possibility of negative impacts on business activities needs to be developed. Likewise, what happened in Ambon City, which is a Business Competition for Retail Market Business Actors in Ambon City, with a very high growth rate of modern shops when compared to districts/cities in Maluku province. Based on the data obtained, the number of Alfamidi is currently 20 outlets and for Indomaret 61 outlets, most of them are still in the process of obtaining building permits. The problem is, when traditional markets must be developed with modern shops with unbalanced status, capital and management positions, if allowed to compete with interference, distortion and exploitation by the strong against the weak cannot be avoided. Traditional markets with weak characteristics, weak management will ultimately defeat the defeat in the competition.

According to John Raw's theory of justice, everyone who enters the market with different natural talents and abilities, the same opportunities that the market allows will not benefit all participants. It will lead to an unfair distribution of the necessities of life, precisely because of the difference in talents and fortuitous social conditions, if these coincidental social conditions are improved so that they are the same for everyone, but this does not mean that the free market will automatically distribute wealth. Economically the same, on the contrary, regardless of the improvement of existing social conditions, the free market will give birth to inequalities due to differences in talents and abilities between one person and another.

Therefore, Rawls is of the view that the market is an unfair economic institution. According to Rawls, the social system must be regulated in such a way, so that the distribution is fair whatever happens (Gaffar, 2006). In order to realize this provision, social and economic processes need to be regulated in an appropriate political and legal environment. Without proper regulation of the behind-the-scenes institutions, the results of this distribution process will not be fair. The existence of a situation of inequality results in the law (the state) having to provide benefits in the sense of providing protection to disadvantaged groups of people (traditional markets), so that socio-economic justice is realized. But it turns out that the position

Based on this, the existence of modern shops has taken into account the ratio of the population structure as well as the resilience and growth of traditional markets. Based on the document study, it is known that the establishment of a minimarket in addition to having a permit, must also pay attention to population density, the development of new settlements, regional accessibility (traffic flow), availability of support/infrastructure as well as paying attention to the existence of traditional markets and warungs/shops in the surrounding area which are smaller than those in the area other the mini market. The establishment of minimarkets is provided to be given to business actors whose domicile is in accordance with the location of the minimarket in question. Forms of Legal Protection Given to Traditional Markets Protection of the existence of traditional markets is absolutely necessary by making efforts to harmonize the strengths of modern markets with the weaknesses of traditional markets. The existence of modern markets must still be able to maintain the existence of traditional markets and not vice versa (Sulistia, 2006).

One way that can be done by Ambon City is by issuing several government policies that substantially regulate the pattern of relations between traditional markets and modern markets. It is hoped that the regulation of the pattern of modern market relations with traditional markets is expected to expand and develop modern markets no longer as a threat to the existence of traditional markets so that the laws governing these regulations are able to provide protection for traditional markets. Prevention Law The concept of protection for traditional markets has actually been pursued by the government through Presidential Decree No. 112 of 2007.

In article 4, protection is on the requirements for development centers and modern shops. In connection with the provisions of the Presidential Regulation, the Minister of Trade issues the Regulation of the Minister of Trade Number 53/M-DAG/PER/12/2008 concerning Guidelines for the Arrangement and Development of Traditional Markets, Shopping Centers and Modern Stores. In the Regulation of the Minister of Trade, it is explained that the matters analyzed related to the

establishment of a modern retail market are the socio-economic conditions of the community and the existence of traditional markets as stated in Presidential Regulation Number 112 of 2007.

In the current era of autonomy, regional governments have a big role because they are responsible for realizing the sustainability of traditional markets in their regions by paying more attention to the location of modern retailers who want to do business activities. Modern markets or minimarkets that are close show the weakness of the supervision carried out by the local government on the development of modern markets, one of which is the business competition of Retail Market Business Actors in Ambo City.

Restrictions on modern market operating hours must be tightened and strict supervision is carried out. In addition, to protect the existence of traditional markets by providing market zoning as stipulated in Presidential Regulation Number 112 of 2007 and also to apply preventive legal protection rules, the government has launched several programs to help support preventive legal protection: 1) Revitalization and rehabilitation of Traditional Markets 2) Guidance and Training 3) Legalization of businesses and places 4) Policies on the Establishment of Modern Markets and Repressive Legal Protection All forms of protection for traditional market players are already in the Regional Regulation.

CLOSING

The conclusions that can be put forward in this study are:

1. Efforts to protect small business actors in traditional markets are needed at this time with the existence of statutory regulations that need to be clearly added to the current business competition legislation so that the expansion and development of modern markets can be clearer without having to shut down the existence of the market traditional.
2. Supervision is needed from the Ambon City Government to present business licenses to Alfamart and Indomaret or other modern stores that are growing rapidly in Ambon City. This is needed so that small business actors do not feel left out by emerging modern shops so that there is no business competition or market competition by one party.

REFERENCES

- Ode Latupono, A., Labetubun, B., & Fataruba, S. (2020). Application of Hawear Customary Law in the prevention of pollution and environmental damage on the sea coast in Southeast Maluku Regency. *International Journal of Sustainable Development and Planning*, 15, 5, 767-774. Journal homepage:
- La Ode, A., Datie, D.R.A., Tuhulele, P., Fataruba, S., & Taufiq, I. (2021). Responsibility of manufacturers in waste management of plastic packaged drink products based on law number 18 of 2008 regarding waste management (Case Study in Ambon City, Maluku Province). *International Journal of Sustainable Development and Planning*, 16(2). ,
- Gaffar, F. (2006). *Business competition procedure law*. Jakarta: Business Law Development Foundation Google scholar , Hartono, H. (2007). Successfully managing a franchise retail store business. Indonesia is smart. Kartono, S. (2007). 5 Kicks for successful retail business in the modern market. Jakarta: TransMedia. Decree of the President of the Republic of Indonesia Number 75 of 1999 dated 8 July 1999 concerning the Business Competition Supervisory Commission.
- Komang, N., & Dewi, D. (2018). Code of Civil law.
- Legal Protection of Traditional Markets in the Era of Trade Liberalization. (n.d). *Journal of Law Reform*, 14(1), 1–14.
- Legal Aspects of Small Business in the People's Economy. (2007). Padang: Andalas University Press. Suseno, D, B. Franchise business success. Yogyakarta: Horizon.
- Business Competition Law in Indonesia. Jakarta: PT. Main Library Gramedia.
- Business Competition for Retail Market Business Actors in Tabanan Regency Kertha Wicaksana, 13, 1 © All Right Reserved Page 50.

E-journal.uajy.ac.id : The Role of Local Governments in Preventing and Resolving Disputes on the Establishment of Modern Shops with Traditional Markets in Sleman Regency Author: Melania Rosarin Resirwawan.
<https://siwalimanews.com/dprd-minta-batasi-gerai-alfamidi-dan-indomaret/>, accessed on 17 September 2021
<https://www.malukuterkini.com/2020/01/13/hmi-desak-dprd-kota-ambon-sikapi-pembinaan-indomaret-alfamidi/>
accessed on 17 September 2021
1945 Constitution of the Republic of Indonesia (UUD NRI 1945)
Law Number 9 of 1995 concerning Small Business.
Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition.
Law Number 40 of 2007 concerning Limited Liability Companies. Usman, R. (2006).
Decision of the Business Competition Supervisory Commission Number 05/KPPU/Kep/IX/2000 concerning
Procedures for Submission of Reports and Handling of Alleged Violations of .
Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition,
regulates the prohibition of market domination .
Presidential Regulation No. 112 of 2007 concerning Zoning Government Regulation Number 13 of 1995 concerning
Industrial Business Permits
Government Regulation of the Republic of Indonesia Number 42 of 2007 concerning Franchise.
Sulistia, T. (2006). Tabanan Regency Regional Regulation Number 1 of 2016 concerning Regulation of Supermarkets.
Suteki., & Taufani, G. (2018). *Legal research methodology (Philosophy, Theory and Practice)*. Rajawali Pers, Depok.
Tanjung, T. (2021). Business competition and the role of the state, <https://law.ui.ac.id/v3/persaingan-usaha-dan-peran-negara/> accessed on 17 September 2021.

Received: 02-Dec-2021, Manuscript No. JLERI-21-9100; **Editor assigned:** 04-Dec-2021, PreQC No. JLERI-21-9100 (PQ); **Reviewed:** 07-Dec-2021, QC No. JLERI-21-9100; **Revised:** 21-Dec-2021, Manuscript No. JLERI-21-9100 (R); **Published:** 03-Jan-2022