Jurnal Hukum, Humaniora, Masyarakat, dan Budaya
Journal Homepage : https://jurnal.ut.ac.id/index.php/humaya_fhisip/

Arbitrators as a Legal Profession in The Alternative Role of Dispute Resolution in Indonesia

Muhammad Iqbal Baiquni
Department of Law, Faculty of Law, Universitas Negeri Semarang
corresponding author e-mail: m.iqbalbaiquni@students.unnes.ac.id

Article Info

Keyword:
Arbitrator;
Legal Profession;
Alternative Dispute Resolution

DOI:
10.33830/humaya_fhisip.v2i1.3057

Abstract

The profession of arbitrator in Indonesia is a profession that has bright prospects for the present and the future. Based on Article 1 point 7 of Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, the arbitrator profession is one or more persons who are chosen by the parties to the dispute or appointed by the District Court or by the arbitration institution, to give a decision regarding a particular dispute. which has been resolved by arbitration. An absolute requirement for an arbitrator is a professional, this is closely related to the ethics of the legal profession in carrying out its duties and authorities. The professional position of the Arbitrator is as a private party who is given rights and obligations, authorities and responsibilities by the state (AAPS Law No. 30 of 1999). In this paper, the author uses the juridical-normative method with a statute approximation approach or a study of legislation. This paper reviews more deeply about the Arbitrator Profession within the scope of the Legal Profession.

Article Info

Kata Kunci:
Arbiter;
Profesi Hukum;
Aternatif Penyelesaian Sengketa

Abstrak

Profesi Arbiter di Indonesia menjadi profesi yang mempunyai prospek cerah untuk masa sekarang hingga masa mendatang. Berdasarkan Pasal 1 angka 7 UU No.30 Tahun 1999 tentang Arbitrase dan Alternatif Penyelesaian Sengketa, profesi arbiter merupakan seorang atau lebih yang lebih yang dipilih oleh para pihak yang bersengketa atau yang ditunjuk oleh Pengadilan Negeri atau oleh lembaga arbitrase, untuk memberikan putusan mengenai sengketa tertentu yang diserahkan penyelesaiannya melalui arbitrase. Syarat mutlak dimiliki seorang arbiter adalah profesional, hal ini berkaitan erat dalam etika profesi hukum dalam melaksanakan tugas dan wewenangnya. Kedudukan profesi Arbiter adalah sebagai pihak swasta yang diberikan hak dan kewajiban, wewenang dan tanggung jawab oleh negara (UU AAPS). Dalam tulisan ini penulis menggunakan metode yuridis-normatif dengan pendekatan statute approch atau studi perundang-undangan. Tulisan ini mengulas lebih dalam tentang Profesi Arbiter dalam ruang lingkup Profesi Hukum.

Introduction

It has become a nature in the human body as an individual creature to have a tendency to fulfill the needs of life, above the needs of groups or communities. However, not every process in fulfilling the needs of human life always runs smoothly, because in each process it is possible to have a conflict

of interest (Sembiring, 2011). The conflict in legal language is known as the term dispute and in civil procedural law there is a case that contains a dispute and there is also a case that does not contain a dispute. That when a human being is faced with a dispute, then they should and should not avoid the dispute and run away from the problem. So, in essence, disputes caused by conflicts of interest must be resolved and faced. There are various ways in which the dispute resolution process can be carried out by a person to resolve each case. However, in essence, the purpose and end of the dispute resolution is that the dispute can be resolved and the rights and obligations that should have belonged to the disputing parties have been fulfilled (Sumardika, 2014).

Dispute resolution is the end of everything that happens between the parties. The parties who have problems must resolve their cases completely, until the rights and obligations of the parties are fulfilled as they should be. In resolving disputes, it can be done in 2 ways, through litigation or non-litigation. If the parties choose litigation then they will be directed to resolve through the Court, while if the parties choose non -litigation, then they will be directed to resolve disputes through alternatives (possibly also due to dissatisfaction with the dispute resolution process through the Court which takes relatively long time, process and means. settlement through the courts is considered too forality and technical, court decisions that do not provide satisfaction between the parties and sometimes aacap times the decision gives the impression in favor of the ruler, and also requires considerable costs) (Mamudji, n.d.).

Historically, the alternative to dispute resolution in 1976 was a judge named, Chief Justice Warren Burger, invited to hold a conference attended by academics, judges, and even lawyers to find a solution and find other ways to resolve each dispute. . And at that time found a dispute resolution mechanism commonly called Alternative Dispute Resolution (ADR) as an alternative in resolving disputes conducted out of court. At that time, the development of dispute resolution through ADR is supported by various factors including the way the resolution is known as a culture, in the resolution of disputes is non-adversial, the parties can be directly or indirectly involved in the settlement process through negotiations, and expected end result what is found is the occurrence of a win-win solution between the disputing parties.

Disputes that occur are generally also the result of a business development that occurs between a company that cooperates with each other. One of the cooperative relationships in this case is a cooperative relationship in terms of foreign investment investment. Investment in this case is usually carried out as a form of efforts by other countries in providing assistance to Indonesia to increase its economic activities (Aminuddin Ilmar, 2010). Foreign investment in Indonesia is something that cannot be avoided, even in this case it can encourage Indonesia to develop its country's growth. Foreign investment is one of the strategic sources of foreign funding in supporting national development, especially in the development of the real sector which in turn is expected to have an impact on wide employment opportunities. The importance of the role of foreign investment in Indonesia's economic development is also reflected in the objectives stated in Law no. 25 of 2007 concerning Investment (hereinafter referred to as the Investment Law) as a positive legal basis for investment activities in Indonesia (David Kairupan, 2014).

Then, according to Law Number 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, the Arbitrator is one or more persons selected by the disputing parties or appointed by the District Court or by the arbitration institution, to give a decision regarding a particular dispute whose resolution is submitted through arbitration. Unlike other legal professions such as judges and prosecutors, arbitrators are not civil servants, because arbitrators work for an independent institution just like advocates. The arbitrator is not a judge, but he has the authority to issue decisions. There are 2 basic principles of arbitration that must be adhered to by the arbitrator in carrying out his duties, namely:

1. The arbitration settlement must be based on a speedy, independent and fair settlement;

2. Settlement of cases outside of court on the basis of peace, ensuring confidentiality of disputes, avoiding procedural and administrative delays, and emphasizing the concept of a win-win-solution.

Settlements made by the arbitrator profession generally cover the commercial field in Indonesia, still contained in civil jurisdiction, the intention of the parties to waive settlement in court, as well as the existence of arbitration agreements, so that under these conditions the arbitral award is final and binding, meaning that the award made by the arbitrator is final and binding for the parties who make it. In other words, in the arbitral award there is no possibility of any legal effort for the parties if they are not satisfied with the award made by the arbitrator.

But in practice it often happens even though it cannot be submitted more legal efforts, the arbitration decision can be submitted cancellation. So that the first arbitration decision was canceled on the second level arbitration decision. And this second level arbitration decision can be canceled with the third level arbitration decision. The basic principle of arbitration for dispute settlement is faster, inexpensive and simply often does not occur. In Article 70 Law Number 30 of 1999 against the Arbitration Decision The parties can apply for cancellation if the verdict is thought to contain the elements as follows:

1. The letter or document submitted in the examination, after the decision is rendered, is admitted to be false or declared false;
2. After the decision is taken, decisive documents are found which were hidden by the opposing party; or
3. The decision is taken from the results of deception carried out by one of the parties in the examination of the dispute.

Historically, alternative dispute resolution in 1976 there was an ex-judge named, Chief Justice Warren Burger, invited to hold a conference attended by academics, judges, and lawyers to find solutions and find other ways to resolve each dispute. And at that time a dispute resolution mechanism was found, commonly known as the Alternative Dispute Resolution (ADR) as an alternative in resolving disputes outside the court. At that time, the development of dispute resolution through ADR was supported by various factors, including the way the settlement was known as a culture, the dispute resolution was non-adversial, the parties could be directly or indirectly involved in the settlement process through negotiations, and the final outcome was expected. What was found was the occurrence of a win-win solution between the disputing parties.

Disputes that occur are generally also the result of a business development that occurs between a company that cooperates with each other. One of the cooperative relationships in this case is a cooperative relationship in terms of foreign investment investment (David Kairupan, 2014; Nurlani, 2021). Investment in this case is usually carried out as a form of efforts by other countries in providing assistance to Indonesia to increase its economic activities. Foreign investment in Indonesia is something that cannot be avoided, even in this case it can encourage Indonesia to develop its country's growth. Foreign investment is one of the strategic sources of foreign funding in supporting national development, especially in the development of the real sector which in turn is expected to have an impact on wide employment opportunities. The importance of the role of foreign investment in Indonesia's economic development is also reflected in the objectives stated in Law no. 25 of 2007 concerning Investment (hereinafter referred to as the Investment Law) as a positive legal basis for investment activities in Indonesia (David Kairupan, 2014; Sinta et al., n.d.).

Foreign investment in Indonesia can never be separated from the cooperation carried out by the Government and the Company. One of them is the cooperation carried out through foreign investment by PT Pertamina with the Karaha Bodas Company under the Joint Operation Contract and then the State Electricity Company (PLN) as the buyer under the Energy Sales Contract (ESC). This form of cooperation between Pertamina and the Karaha Bodas Company is by holding a geothermal energy development in Karaha Bodas (Garut) and Telaga Bodas (Tasikmalaya) which aims to produce an

energy that is environmentally friendly and clean. The emergence of a dispute between the two companies is due to differences in conflict of interest, if viewed from the Karaha Bodas Company is a company company that was established based on a flow of capital both from within and from outside, where this company has a goal to prioritize profit oriented, while the company national interests or Pertamina prioritizes national interests which can harm both parties. The presence of investment in Indonesia automatically causes the parties to be obliged to comply with all political legal systems of the host country, but this does not apply to transnational companies such as the Karaha Bodas Company because they have large shares or are 100% intact, so that in making a policy this can be influenced by the largest shareholder, which can make the interests of the host country a second priority.

This case caused a conflict to exist in the midst of foreign investment in Indonesia between Karaha Bodas Company and Pertamina. In terms of dispute resolution that occurs, the case is brought to International Arbitration as a medium to resolve the problem or conflict. In this paper, the author wants to examine the role of international arbitration in resolving the conflict and how the implementation of binding provisions on the decision for the parties to the dispute and also wants to examine the role of arbitrators in resolving disputes, both international disputes or disputes that occur in Indonesia.

Research Method

This article uses a type of normative juridical law research or also called doctrinal legal research (Sukismo, 2008). This research uses *a statute approach* (Ibrahim, 2006; Marzuki, 2005; Sukismo, 2008). Normative legal research that focuses on the formulation of problems and hypotheses through sampling, measuring variables, and collecting data that ends at a conclusion, (Soekanto, 2007) so that the data assessment is carried out as well as the analysis using qualitative analysis methods. This study uses secondary data compiled from library data which includes archival data, published data, official documents, books, research results in the form of reports, theses, theses, dissertations, and statutory regulations (Irianto, 2009).

Results and Discussions

Arbitration. The reference of a dispute to an impartial (third) person chosen by the parties to the dispuite who agree in advance to abide by the arbitrator’s award issued after hearing at which both perties have an opportunity to be heard. An arrangement for taking and abiding by the judgement of selected persons in some disputed matter, instead of carrying it to establish tribunals of justice, and is intended to avoid the formalities, the delay, the expense and vexation of ordinary litigation.

Ethics comes from ethnics or ethos, namely a system of values and moral norms. In the big Indonesian dictionary, ethics is formulated in three meanings:

1. Science about what is good and what is bad and about moral rights and obligations (morals).
2. A collection of principles or values relating to morality
3. Values regarding right and wrong held by a group or society.

Ethics as a branch of philosophy can be approached descriptively and normatively. Descriptive ethics describes moral behavior in a broad sense, for example in the form of customs, assumptions about good and bad, permissible and prohibited actions. Descriptive ethics talk about behavior as it is, namely behavior that occurs in entrenched situations that become a good and bad measure for an action what are the consequences for violating ethical values. Normative ethics tries to determine the ideal attitudes and behaviors that humans should have and carry out and what actions should be taken to achieve something of value in life. According to Bertens, as quoted by Darji darmodiharjo and Shidarta, this normative ethics is precisely the most important part of ethics because this is where the most interesting discussions take place on moral issues.

The professional code of ethics is a formulation of human moral norms who carry out the profession. The professional code of ethics becomes a benchmark for the actions of members of a professional group. The professional code of ethics is an effort to prevent unethical behavior for its members. Kanter provides another additional function of the professional code of ethics. The first is an important professional code of ethics to prevent supervision or interference carried out by the government or by the community. The professional code of ethics is used to organize and set certain standards for professionals, so that they can provide arguments to the public or clients who think that professionals tend to make the law negative because they monopolize expertise. In addition, the second function is that the code of ethics is necessary for the development of higher standards of will. This is because basically, the code of ethics can be adapted to the times, which also results in growing professional obligations (Kanter, 2001).

Every professional code of ethics must be written in an orderly, neat, complete, flawless, and in good language manner. Sumaryono stated that the reason why the formulation of the code of ethics must be in written form is because of the function of the code of ethics itself, namely as a means of social control, to prevent interference from other parties, and to prevent misunderstandings and conflicts. Sumaryono said there are weaknesses in the written form, namely:

1. That professionals are realistic people, who walk according to the reality that happens in everyday life. The idealism formulated in the code of ethics is not always in accordance with the facts. This causes professionals to turn to reality and ignore the ideals contained in the code of ethics. He mentioned that the professional code of ethics is nothing more than a framed writing display.
2. Professional code of ethics is not accompanied by sanctions imposed on violations. This allows professionals who do not have integrity or who have weak integrity to do things that deviate from their professional code of ethics.

According to Franz Magnis-Suseno, there are 3 principles that must be possessed by someone who runs a noble profession, namely freedom, responsibility, and conscience. Social freedom is limited, and the limitation must be accounted for. Black's Law Dictionary provides an understanding of professional responsibility as 'one engaged in one of learned professions on in an occupation requiring a high level of training and proficiency.' The element in the definition of professional responsibility is the existence of a person who provides services and the responsibility of the professional bearer or service provider for the services he provides that require expertise. Professional responsibility consists of two kinds, namely professional responsibility based on the code of ethics of the professional organization concerned (internal), and professional responsibility based on laws and regulations (external).

Analysis of Outstanding Case Positions Between Pertamina and Karaha Bodas Company

The development of geothermal energy began in the 70s in the Kamojang area which at that time had just been built by Pertamina. In 1994, Pertamina entered into a cooperation contract with a private electricity investor, namely Karaha Bodas Co. LLC is under a joint operation contract while PLN as a buyer is under an Energy sales contract. Pertamina and Karaha Bodas are developing geothermal energy in Karaha Bodas (Garut) and Telaga Bodas (Tasikmalaya). Currently, private companies operating in most geothermal fields are under joint operating contracts with Pertamina which allocates 4% of net operating income to Pertamina and an additional 34% of net operating income to the government. Based on Presidential Decree No. 45 of 1991 outlines two alternative paths for the development of geothermal energy in Indonesia.

The emergence of the case of Pertamina and Karaha Bodas is quite interesting and grabs the attention of the international community. Karaha Bodas Company is a company established where the company's goal is to prioritize profit oriented and on the other hand Pertamina prioritizes national interests. With the presence of investment in Indonesia, it must automatically comply with the political law system of the host country, meaning that companies must comply with investment rules

in Indonesia. However, this does not apply to transnational companies such as the Karaha Bodas Company which have larger shares or are 100% intact. So that policy making is influenced by the largest shareholder.

Unfortunately, until now the rules of international law that are generally accepted to regulate the activities of transnational companies have not been made, it is certain that there will be potential conflicts between these two legal subjects, namely between Pertamina and the Karaha Bodas Company. Then, due to the economic crisis and on the recommendation of the International Monetary Fund (IMF), on September 20, 1997, the President through Presidential Decree No. 39/1997. The Presidential Decree suspended the implementation of the PLTP Karaha project until the economy recovered. Finally, KBC on April 30, 1998 submitted a claim for compensation to the Arbitration of Geneva (Switzerland) in accordance with the place chosen by the parties in the JOC. The Geneva arbitration tribunal on December 18, 2000 ordered Pertamina and PLN to pay compensation to KBC. Approximately US$ 270,000,000. with details, Pertamina must pay a fine which is calculated from the compensation value of US$ 111.1 million and the opportunity lost of US$ 150 million, plus 4% interest per year since 2001.

Pertamina and PLN further breached their contractual obligations to KBC. Although the decision of the international arbitration body has been determined, Pertamina has refused to pay its legal obligations. In response to this, KBC made legal efforts in the form of a request to implement the Geneva Arbitration Award in the courts of several countries where Pertamina's assets and goods are located, except in Indonesia. namely: KBC asked the US District Court for The Southern Distric of Texas to enforce the arbitration award Geneva, Hong Kong Court, decided to grant KBC's request for confiscation of assets and property of Pertamina in Singapore Court, KBC asked the New York Judge to withhold Pertamina and the Government's assets RI up to 1.044 billion US dollars but was rejected, and the judge determined that Bank Of America (BOA) and Bank Of New York to release funds amounting to US$ 350 million back to the Indonesian government.

The Swiss courts are the courts authorized to overturn the Geneva arbitral award on two grounds. First, Pertamina and KBC have determined that the seat of the Geneva arbitration will be made in Switzerland. Second, the Geneva Arbitration award is made in Switzerland. However, this process was not continued due to Pertamina's reluctance to pay the deposit. In addition to requesting the Swiss court to cancel the arbitration award, other legal remedies taken by Pertamina are to request the rejection of the implementation of the Geneva arbitration award in a court that KBC requested to execute and to take legal action to cancel the Geneva arbitration award to the Indonesian Court (Central Jakarta District Court) on dated March 14, 2002. However, this legal effort is in violation of Pertamina's contract approval letter, such as the UN Commission arbitration rules for international trade, as well as the United Nations convention for the recognition and implementation of foreign arbitration awards which have been signed by Indonesia.

Analysis of the Role of International Arbitration in Resolving the Case and Implementing the International Arbitration Award

In fact dispute resolution can be done through two processes. The oldest dispute resolution process through the litigation process in court and then developed into a dispute resolution process through cooperation (cooperative) outside the court. This litigation process can result in an agreement that is adversarial because it has not been able to embrace a common interest and tends to cause new problems, and this also has other consequences, namely the settlement is quite long, costly, unresponsive and hostile between disputing parties. On the other hand, if through an out-of-court process can produce an agreement that is a 'win-win solution', guaranteed confidentiality of disputes of the parties, avoided delays caused by procedural and administrative matters, resolve issues comprehensively together and can maintain good relations. The advantage of this non -litigation dispute resolution process is its confidential nature, because the process of the trial and even the results of the decision are not published.

Proper handling of investment disputes will be able to provide a good image for Indonesia in the eyes of the international world. But on the other hand, if its handling does not meet the conditions specified in the convention, then it will certainly have an impact on Indonesia, as a country whose good faith is doubted by any investment, especially foreign investment. Basically, every contract (agreement) made by the parties must be able to be implemented voluntarily based on good faith (good faith and good will), but in fact the agreement made is often problematic due to various factors. In general, the pattern of dispute resolution can be divided into two, namely:

1. Through the Court; and
2. Through Dispute Resolution Alternatives

Investment dispute settlement is generally different from the settlement of other civil disputes, this can be seen from the settlement of disputes by arbitration that has determined that the applicable law that is the basis in resolving disputes is the law chosen by the parties. The Republic of Indonesia has ratified the ICSID Convention with Law Number 5 of 1968 (State Gazette Number 32 of 1968). With the ratification of the convention, Indonesia has been legally bound by the provisions contained in the convention so that any settlement of foreign investment disputes can be done in accordance with the provisions set out in the International Center for the Settlement of Investment Disputes (ICSID). Dispute resolution through the courts is a pattern of dispute resolution that occurs between the parties that is resolved by the court and the decision is binding. The dispute resolution through Alternative Dispute Resolution is a dispute resolution institution through a procedure agreed upon by the parties, ie out of court by way of consultation, mediation, conciliation, or expert assessment.

Arbitration as a settlement of a dispute voluntarily chosen by the parties chosen by them, who want the dispute decided by a neutral judge chosen by them, whose decision is based on the subject matter of the dispute, who they previously agreed to accept the decision as a last resort and binding . Then, Steven H. Gifis explains about arbitration which explains the filing of a dispute, based on an agreement between the parties, to people of their own choosing. In this case Arbitration compared to conventional courts has the following advantages and also advantages:(Nugroho & SH, 2017; Susanti, 2015)

1. The procedure is not convoluted and decisions can be reached in a relatively short time.
2. Cheaper cost.
3. It can be avoided to expose the decision in public.
4. Law on procedure and proof more relaxs.
5. The parties may choose which law the arbitration requires
6. The parties can choose their own arbitrator
7. Arbitrators can be selected from among experts in their field.

Then, in addition to the advantages of arbitration, arbitration also has disadvantages which include the following:

1. Only good and well available to bonafide companies
2. Due process is less met
3. Lack of Finality element
4. Lack of power to lead the parties to the settlement
5. Lack of power to present evidence, witnesses and others

Arbitration in this case is used to resolve the case of Karaha Bodas Company with PT Pertamina. The case received a lot of attention from several countries, including the Swiss Geneva Arbitration. An international arbitration decision that has been decided abroad when brought to Indonesia has 2 possibilities, namely: Inter arbitration decision.

Analysis of What Value Pairs Need to be Harmonized in the Professional Ethics of Arbitrators

Value is about something that is considered good or bad, right or wrong, good or bad which in philosophy aims to achieve a harmony. The values are in pairs and conflict with one another. Tension in this case is a condition that shows that in a certain pair, one value is essentially pressing another

value. However, these two values cannot be mutually exclusive. The arbitrator profession is a profession that has very bright prospects for the present and the future in Indonesia. To be able to work as an arbitrator, one of the requirements is to be a professional. An arbitrator in carrying out his profession must be in harmony with the existing values. This is in line with the purpose of the law itself to seek peace. Peace means harmony between the values of order and peace, which is manifested in the legal task of legal certainty and legal comparability.(Ainun Fadillah & Amalia Putri, 2021; Amalia Sugianto & Siti Hamzah Marpaung, 2022)

An arbitrator in carrying out his profession must harmonize the value of legal certainty and legal comparability. Legal certainty is generalizing, while legal comparability is differentiating. According to Bismar Siregar's opinion as quoted in Prof. Darji and Sidharta's book, that the purpose of law is justice, if to achieve justice it is necessary to sacrifice legal certainty, then he will sacrifice legal certainty. Law is the means and the goal is justice. Why are ends sacrificed for means? Arbitrators as private parties who are given rights and obligations, authorities and responsibilities by the state (laws) do not always have to look at the value of generalizing legal certainty to achieve justice. Justice should also not be equated with comparability and stressed with other values, because conceptually justice is a coherent-coordinating value, which means integration.

To achieve justice, an arbitrator must also harmonize the values of personal interest with interpersonal interests. Personal interests focus on the legal protection of one interest, while interpersonal interests focus on protecting individuals as a unified community. Agree with John Rawls there needs to be a balance of personal interests and common interests, how the size of that balance should be given, that's what is called justice.) According to Rawls the law must be a guide so that people can take positions while still paying attention to their individual interests. In addition to the value of personal interests with interpersonal interests, other values that need to be harmonized by an arbitrator are the values of nationalism and internationalism. In the dispute resolution carried out by an arbitrator where there are foreign elements in it, such as the case of a foreign investment dispute between the Government of Indonesia c.q Pertamina and Karaha Bodas Company. Disputes where there is a foreign element are included in international civil law. So that an arbitrator must harmonize between national values and international values regarding which law will be used.

In order for a foreign arbitration award to be enforced in the country where the request for execution is submitted, it must pay attention to whether the country is a participant in the international convention or not? In addition, it must also look at the provisions in the laws of the country concerned. Article 3 of the New York Convention 1958 regulates the procedure for implementing arbitral awards, that each participating country will recognize arbitral awards as binding decisions and implement them in accordance with the rules of procedural law applicable in the territory of the country where the arbitral award is requested for implementation. In this case, if we can conclude, that in international provisions there is still a national element of each country, there is an interwoven pair of international values and national values.

In relation to the professional position of the arbitrator, it is as a private party who is given rights and obligations, authorities and responsibilities by the state (law). In its position as a legal profession, the role of the arbitrator is generally divided into 2 parts, namely:

1. The role before the dispute occurs, namely through the provision of advice, binding advice by the arbitration institution, regarding an agreement/contract;
2. The role after a dispute arises, namely through examination and giving a final and binding decision by the arbitrator. On this basis, it is reasonable for the bearer of the legal profession of arbitrators to provide legal aid services that are.

Other value pairs that need to be reconciled by an arbitrator are the value of novelty and the value of eternity. The value of novelty provides innovation to a legal development, while the value of eternity is to maintain the existing legal system. In resolving a dispute, an arbitrator must look at existing legislation. But is in this case the arbitrator only acting as the funnel of the law? Of course not, because in this case the arbitrator can reconcile the system of pairs of values to deal with what is

not there, what is broken or wrong, what is lacking, what is stuck and what is backward or declining, to maintain (= law as a tool of social control) and improve (= law as tool of social eigineering) the peace of human life.

Conclusions

Based on the description and explanation above, it can be concluded that this paper regulates and explains that one way to support the nation's economy is through investment law and foreign investment. In the case of Indonesia, one of them is establishing investment cooperation through PT Pertamina with Karaha Bodas Company. International arbitration is a dispute resolution that is chosen voluntarily by the parties chosen by them, who want the dispute to be decided by a neutral judge chosen by them, whose decision is based on the subject matter of the dispute, which they agreed in advance to accept the decision as a last resort and tie. The parties ended their dispute through an international arbitration award and in this case did not proceed by discontinuing the Central Jakarta District Court Decision. However, the next problem is that the decision that occurred in the process of executing the Geneva Arbitration decision could not be implemented considering the lawsuit filed by Pertamina to the Central Jakarta District Court, which was ultimately won by Pertamina as described above.

References

Ainun Fadillah, F., & Amalia Putri, S. (2021). *Alternatif Penyelesaian Sengketa dan Arbitrase (Literature Review Etika)*. 2(6). https://doi.org/10.31933/jimt.v2i6

Amalia Sugianto, F., & Siti Hamzah Marpaung, D. (2022). *EFEKTIVITAS PERANAN MEDIASI DALAM UPAYA ALTERNATIF PENYELESAIAN SENGKETA KEKAYAAN INTELEKTUAL*. Jurnal Meta-Yuridis, 5(1). http://journal.upgris.ac.id/index.php/meta-yuridis/

Aminuddin Ilmar. (2010). *Hukum Penanaman Modal di Indonesi*a. Prenada Media.

David Kairupan, S. H. (2014). *Aspek Hukum Penanaman Modal Asing di Indonesia*. Prenada Media.

Ibrahim, J. (2006). *Teori dan metodologi penelitian hukum normatif*. Malang: Bayumedia Publishing, 57.

Irianto, S. (2009). *Metode Penelitian Hukum: Konstelasi dan Refleksi*. Yayasan Obor Indonesia.

Kanter, E. Y. (2001). *Etika profesi hukum: sebuah pendekatan sosio-religius*.

Mamudji, S. (2010). *Hukum dan Pembangunan Mediasi Sebagai Alternatif Penyelesaian Sengketa di Luar Pengadilan*.

Marzuki, P. M. (2005). *Penelitian Hukum*.

Nugroho, S. A., & SH, M. H. (2017). *Penyelesaian Sengketa Arbitrase dan Penerapan Hukumnya*. Kencana.

Nurlani, M. (2021). *Alternatif Penyelesaian Sengketa dalam Sengketa Bisnis di Indonesia* (Vol. 3, Issue 1).

Sembiring, J. J., & SH, M. (2011). *Cara Menyelesaikan Sengketa di Luar Pengadilan*. Visimedia.

Sinta, T. N., Ihyamuis, M., Patittingi, F., & Lahae, K. (n.d.). A*lternatif Penyelesaian Sengketa Pertambangan: Studi Sengketa Tanah Antara Masyarakat Karunsi'e Dongi dan PT Vale Indonesia Tbk*. Amanna Gappa, 30(1), 2022. http://www.suarapembaruan.com/news/2003/09/17/masyarakat-

Soekanto, S. (2007). *Penelitian Hukum Normatif: Suatu Tinjauan Singkat.*

Sukismo, B. (2008). K*arakter Penelitian Hukum Normatif dan Sosiologis*. Penerbit Puskumbangsi Leppa UGM, Yogyakarta.

Sumardika, A. A. N. R. (2014). *Integrasi Lembaga Penyelesaian Sengketa Alternatif dalam Proses Acara Peradilan Perdata: Studi Tentang Putusan Pengadilan yang di Mediasi Berdasarkan Perma Nomor 1 Tahun 2008*. Jurnal Magister Hukum Udayana, 3(3), 44133.

Susanti, A. N. (2015). *Penyelesaian Sengketa Arbitrase dan Penerapan Hukumnya.* Jakarta: Kencana.