

THE ROLE OF THE TRADE AGENCY IN OVERSEEING UNFAIR COMPETITION IN WONOGIRI DISTRICT, A CASE STUDY OF WONOGIRI DISTRICT MARKET

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ABSTRACT

The purpose of this research is to identify the Role of the Trade Office in Supervising Unfair Competition in Wonogiri Regency Case Study of Wonogiri Regency Market. The empirical juridical research approach is determined in this study using qualitative research methods because the researcher intends to understand the phenomenon of what is experienced by the research subject such as behavior, legal efforts, and actions that have been taken, directly by means of descriptions in the form of words and language, in a special context. The purpose of using qualitative methods is to seek a deep understanding of a subject matter, facts, or reality in it. Researchers use descriptive qualitative research because the authors want to describe the results of the research not with numbers but using written words and describing the results. It can be concluded that the Wonogiri City Trade Office has carried out price controls to overcome the problem of unfair competition that has been going on for a long time in the Wonogiri Regency market. Various efforts such as market operations and socialization have been carried out to overcome monopolistic practices and unfair trade competition in the Wonogiri Regency area.

Keywords: Unfair Competition; Trade; Socialization

INTRODUCTION

A market is a place where buying and selling activities take place. Markets or *peken* are institutions, procedures, social relations, and infrastructure where businesses sell goods, services

and labor to people in exchange for money or goods. Goods and services are sold using legal tender such as money. This activity is part of the economy. Indonesia itself has two types of markets, the first being traditional markets (1). The traditional market itself is a meeting place for sellers and buyers where bargaining activities occur over the prices of goods sold which are usually daily necessities, agricultural products or marine products carried out by sellers and buyers until both agree on the price of goods agreed between the two parties. The definition of a traditional market according to Law No. 7 of 2014 states that a traditional market or people's market is a certain area where buyers and sellers meet, either directly or indirectly. Second is the modern market, the modern market is a market that does not involve transactions between sellers and buyers in it, because the price of the product has been listed for sure so that it cannot be negotiated anymore (2). The presence of modern markets is a form of modernization of people's growing lifestyles.

The market is an important component to support the running of economic activities in an area, the market itself is the center of trade in an area (3). Markets can help the smooth running of economic activities and can accommodate and market agricultural products from the community which will then be sold to consumers (4). Unfair competition can occur due to several factors, one of which is that traders get goods or products from farmers or producers that are not the same price, resulting in price differences between one another. Sometimes there are traders who go directly to farmers to find goods or products that they will sell so that the price is much cheaper because they do not need transportation money anymore. Meanwhile, goods or products that come to the market require transportation money so that the price of goods is much different from those who go directly to the producer or farmer. This price difference is one of the factors, this affects the price between traders with each other even though the goods are both sold in the same market (5-6). Buyers will choose cheaper goods even though the goods are in limited stock, this is one of the factors that cause unfair competition.

The next cause of unfair competition is the scarcity of materials or the lack of products sent by farmers or producers. Sometimes products or goods are abundantly available in the market but consumers are not in demand or, on the contrary, sometimes products or goods are not

available while market demand is very large. This factor will cause unfair competition between sellers, due to the availability of different materials or products, resulting in price differences and triggering monopolistic actions between traders. The problem occurs indirectly but gradually. This problem usually occurs when approaching a special holiday or other big day that can trigger a very large market demand for products. Therefore, the agency must follow up quickly so that this does not happen protractedly.

The Wonogiri District Trade Office assisted by the local government usually conducts market operations before carrying out socialization and control actions to stabilize the prices of basic necessities and vegetables in the Wonogiri market (7). These market operations are usually conducted for a week or two to monitor and stabilize the uneven prices between traders so that the situation becomes conducive again. Usually the effect of these market operations does not last long unless the central government also takes action to import materials or basic necessities that are scarce in the market. After that, it will gradually stabilize again as before. However, price differences still occur, sometimes even though there is a circular from the Trade Office to reduce prices, sellers do not want to because sellers buy the goods they sell at high prices so that many traders do not want to reduce the price of merchandise for fear of losing money and going out of business.

Based on the above statement, the researcher is interested in exploring further about **First**, the role of the Wonogiri Regency Trade Office to overcome unfair competition in the Wonogiri market. **Second**, the efforts of the Wonogiri Regency Trade Office in overcoming unfair competition in the Wonogiri market.i.

METHOD

This research uses the Empirical Juridical research method. The definition of Empirical Juridical Research is Juridical which means that the law is seen as a norm or *das sollen*, because in discussing the problems of this study using legal materials both written and unwritten law or both primary legal materials and secondary legal materials, and also comes from the word Empirical which means law as a socio-cultural reality or *das sein*, because in this study using

primary data obtained from the field (8). So the meaning of the Empirical Juridical approach method in this study means that in analyzing the problem is carried out by combining legal materials which are secondary data with primary data obtained in the field by taking several respondents who come from several parties, namely, the first respondent comes from the Wonogiri Regency Trade Office, the second respondent comes from representatives of Wonogiri city market grocery traders, and the last respondent comes from representatives of Wonogiri market vegetable sellers. The location of the interview was Wonogiri market and Wonogiri Regency Trade Office. The interviews were conducted between March 19 and 28, 2024.

RESULTS AND DISCUSSION

A. The Role of Wonogiri Regency Trade Office to Overcome Unfair Competition in Wonogiri Regency Markets

The market is the center of buying and selling activities and transactions between sellers and buyers. The market is also a place for unhealthy competition that occurs between sellers within the market component, which occurs between the sellers themselves. This incident has been going on for a very long time, it is not uncommon for this incident to create quarrels and prolonged problems between one seller and another. The role of the Trade Office is needed to curb the gap between these traders. The trade office as the field coordinator and also as the party that plays a role in controlling and maintaining price equality in the market is very necessary in this case.

The Wonogiri Regency Trade Office plays a role in maintaining price stability in Wonogiri Regency markets. The role of the Trade Office includes:

1. Briefing and Socialization

The briefing itself aims to provide appeals and guidance to traders to maintain cleanliness and also maintain order in the market area in Wonogiri Regency, not only that, the briefing also intends that traders obey all appeals and directions given by the Trade Office, none other than to maintain harmony between traders and the Wonogiri Regency Trade Office. The socialization itself aims to convey directions and ideas to market traders and also exchange trader aspirations

for a better future. This briefing is usually carried out every month to monitor the markets in Wonogiri Regency.

2. Market inspection

Market inspection aims to directly monitor activities taking place in the market, market inspection activities also aim to monitor the prices of basic necessities and vegetables in the market whether they have increased or monitor goods that are scarce or difficult to obtain in the market to then find solutions together. Market inspection also aims to monitor whether there are traders who cheat or not.

3. Coordination Meeting

The coordination meeting aims to solve problems that previously occurred during market inspections, the coordination meeting also aims to solve problems in the suggestion box in the market. This suggestion box contains complaints and suggestions for market managers and traders so that later it will be even better. Coordination meetings are held by the Trade Office and traders to solve problems they face such as rising prices and scarcity of staples and also answer all complaints which are then given a solution.

4. Market operations

Market operations aim to stabilize prices and also maintain the availability of goods in the market in order to create a conducive environment again. Market operations not only aim to lower prices but also equalize national and regional prices that previously experienced significant or drastic increases. Market operations will not be conducted except in emergencies such as scarcity and very high prices. Market operations are very important because usually before market operations many traders monopolize because the materials they buy from producers are not the same, resulting in price differences. Market operations become very necessary and important if this happens.

5. Community service

Community service, community service aims to clean the market environment and also organize the facilities in the market in order to create a clean and orderly environment. Community service is usually carried out every week. The role of the Department of Agriculture

in overcoming unfair competition as written above is to carry out market operations and conduct market inspections regularly every week.

Coordination between traders and the agency is also carried out by the Wonogiri Regency Trade Office as a form of the agency's responsibility to traders to maintain price stability and prevent acts of unfair competition that occur in the market environment in Wonogiri Regency. These programs cannot be separated from the role of the government, which is the flagship and priority program of the Trade Office is market operations and market sidak, the program is a central government program mandated to the local government which is forwarded to the Trade Office to create order, comfort, security, and price equality so that buyers are comfortable and peaceful in conducting transaction activities in the Wonogiri city market (9). It can be understood that the role of the agency is very important in the activities in the Wonogiri city market in Wonogiri Regency (9).

The role of the agency has so far run smoothly although there are obstacles that are still homework for the Trade Office in the form of complaints from Wonogiri city market traders. Complaints from the average trader in the form of losses caused by the program run by the Wonogiri Trade Office. There needs to be another study from the government so that this program continues to run smoothly and there are no obstacles in the future.

B. Efforts of Wonogiri Regency Trade Office in Overcoming Unfair Competition in Wonogiri Market

Efforts made by the Wonogiri Regency Trade Office are by conducting socialization, direction, and also market operations. The form of efforts made by the Trade Office is to socialize traders who are proven to have committed violations as evidenced by cctv recordings and also direct reports to officers/employees in the market. Complaints to officers are also one of the proofs if there is one trader who cheats by committing monopolistic actions and other forms of unfair business competition.

The form of reprimand from the Trade Office to traders who commit violations because to be given a warning in the form of a letter given by the trade office containing a warning not to

repeat the same actions in the future. The letter is given with all considerations that have previously been met in a coordination meeting of the Trade Office and market management. If the trader repeats this three times, then the trader will have his lease revoked. In accordance with Wonogiri Regency regulation No. 11/2012 concerning business licenses (10). The government and agencies are very strict in taking action against traders who do not comply with regulations, especially in committing acts of monopoly trading and cheating on unfair business competition, thus creating an unharmonious and unhealthy environment (11). Three people have been given warning letters due to the incidence of trade monopolization and unfair business competition (5). The Office has given two letters to problematic traders not to repeat these activities, if proven to be doing it again for the third time then the Trade Office revokes the lease rights of the trader (5). Monopolistic practices are very bad actions because they enrich themselves in a way that is not lawful and can harm others or worst of all can kill other people's income.

The efforts of the Wonogiri Regency Trade Office in resolving the problems of trade monopoly and unfair business competition have so far been successful. In its application, traders follow all directions given to them by the Wonogiri Regency Trade Office. The regulations made by the Trade Office are also obeyed by the traders, although sometimes the traders feel disadvantaged because of the regulations (12). The most common problem complained about by traders was the market operation, which made them lose money, because they took goods from producers at high prices after the market operation they had to reduce prices in accordance with the direction of the Trade Office. This is a problem, according to Wonogiri market traders they feel disadvantaged because of the program. Not to mention the circular that requires them to sell goods according to national prices. In fact, the goods they bought before could not be as cheap as the direction or price limit set by the Trade Office to them. Sometimes they lose money because of market operations such as yesterday, rice was bought from producers at seventeen thousand after market operations the price had to be reduced to sixteen thousand, we have no choice but to sell rice according to the circular. (6).

The government and the Trade Office should also think about the traders because they are the most important part of a market. The existence of price reductions and drastic price increases

causes traders to lose money because of regulations made by the Trade Office and the Wonogiri Regency Government. In addition, the existence of market operations also causes monopolistic practices because it can benefit one trader who can buy merchandise or goods cheaper than other traders so that the trader does not lose. These traders feel that they benefit from the market operation program. Indeed, sometimes raw materials or products can be purchased cheaper if traders can buy them directly from farmers. The significant price difference is considered profitable by a small number of traders. Regulations are made to regulate in order to run orderly and conducive, but behind the regulation there is one party that is disadvantaged.

CLOSING

The role of the Wonogiri Regency Trade Office to maintain price stability in the market has been successful, but when making policies it would be nice to find solutions for traders so that they do not experience losses so that the policies taken do not harm each other. The efforts of the Trade Office to overcome unfair competition between traders, one of which is by providing direction and guidance both directly and indirectly, have gone well, but there needs to be more solutions from the Government and the Trade Office so that unwanted things do not happen because the policies that have been running are detrimental to one party.

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