

CHAPTER V CONCLUSION

Many people criticized the government which was considered unequivocal in refusing and only following the decisions of developed countries. As a result, the condition of the local industry was struck by the free entry of Chinese products. This impact has already been felt in small areas, not only in big cities. The purchasing power of the Indonesian people is low and Chinese products come by offering prices that are cheaper than local products as if answering their problems.

Free markets are indeed crucial for expanding market access but still have to pay attention to domestic interests, especially seeing the competitiveness of local industries. The state, in this case, the government has a stake in safeguarding the interests of its people. Whether it is a free market, WTO, FTA, ACFTA or whatever, we should not let the domestic industry be destroyed and unemployed people by unbalanced competition.

To anticipate China's consumer goods that enter massively, The government must increase competitiveness and protection of domestic products. These efforts are carried out to improve product safety, transparency and market efficiency, protect product safety for consumer safety, public health, preservation of environmental and security functions.

Efforts and actions in addressing opportunities and challenges related to facing global competition are the obligations of all stakeholders both by the government, business people, academics, and the general public. All of them are expected to support and prioritize mutual interests and try to see from a broader perception so that it has a good impact in handling the problem of unavoidable free trade competition from national interests.

The ACFTA arrangement agreed to reduce barriers, especially tariffs, to provide flexibility and standardize

policies for the benefit of each country. However, returning to the different macroeconomic conditions of each country can have a positive and negative influence on each of the member countries that implement regional cooperation depending on how a country regulates and utilizes the internal potential and cooperation strategies that are put in place.

Some things that need to be improved to grow investment are infrastructure improvements, creating a conducive business climate, increasing production efficiency and business competitiveness and encouraging Indonesian entrepreneurs to be more creative and aggressive. Including the effectiveness of institutions, communication forums, and the Investor Relation Program in order to increase interest in investing in Indonesia.

The ACFTA (ASEAN - China Free Trade Area) is a challenge and also an opportunity. The most significant opportunity that must be seen is that China is the center of the economy in Asia, with a large market, many domestic businesses can profit if they can control the Chinese market. Essentially. The aim of the ASEAN-China Free Trade Area (ACFTA) is to strengthen and enhance economic, trade and investment cooperation between member countries. In implementing free trade in the ACFTA concept, the principles of international economic law are contained. The first principle is the Most Favored Nation (MFN), which means that a country must provide equal treatment in the implementation of import and export policies without conditions (non-discrimination). The next principle is National Treatment, which requires a country to give equal treatment to goods, services, or capital owned by foreign companies or foreign citizens who carry out free trade in the territory of the country with goods, services, and capital owned by citizens. his own country.

MFN and national treatment are the primary basis of free trade in the ACFTA because, with equal treatment in the trade sector, justice and certainty will be felt by the parties concerned. The state as the main actor and individual along

with the Multinational Company (Transnational) as another actor is the subject of free trade. GATT, WTO, AFTA and international conventions are sources of international economic law, the four sources of international economic law contribute to the implementation of free trade in this ACFTA concept.

In the implementation of ACFTA in Indonesia, free trade will improve the quality and quality of a product as well as the existence of healthy competitiveness among fellow business actors in trading, especially in free trade areas. This is of course by MFN principles and National Treatment principles which are included in International Economic Law.

The obstacles faced by the government in connection with the implementation of the ASEAN-China Free Trade Area (ACFTA) in Indonesia include Government policies in issuing legislation regarding the implementation of this ACFTA, whether the regulations issued are by the situation and conditions in the country or not. Subsidies are government assistance to local producers. Subsidies are generated from taxes. Forms of subsidies include financial assistance, low-interest loans, etc., local charges, and administrative regulations.

Protection of local goods is needed from the flood of Chinese products that enter both legally and illegally. It is hoped that interference from the Indonesian government will provide equal rights and opportunities for every business actor, namely for every small, medium and large business actor to carry out business activities in the territory of the Republic of Indonesia, creating healthy, conducive and active competition and increasing efficiency for business actors. The ultimate goal of all is to prosper life and ensure the prosperity of all Indonesian citizens.