

LAW ENFORCEMENT AGAINST BUSINESS ACTORS WHO INCREASE PRICES DURING NATURAL DISASTERS

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Abstract: *Natural disasters are one of the major problems facing humanity, damaging the environment and claiming human lives. There are two main factors contributing to natural disasters: internal and external factors. The research method is normative-juridical. Deductive research begins with an analysis of the articles in the laws and regulations governing the aforementioned issues. Juridical research refers to research that draws on library research. Normative research aims to gain normative knowledge about the relationship between one regulation and another. The sudden price increase coinciding with a cyclone constitutes an unfair price offer and is also intentionally detrimental to consumers because the demand for goods increases, leaving consumers with no choice but to purchase the goods, ultimately resulting in the entrepreneur earning multiple profits from the fair price. Therefore, the entrepreneur has violated Article 10 paragraph (a) of Law No. 8 of 1999. Based on the description above, the implementation of government responsibilities ranges from disaster risk reduction to disaster recovery. According to Articles 6 and 8 of the Disaster Management Law, government responsibilities extend from protecting the public from the impacts of disasters to ensuring the fulfillment of public rights, while adhering to the principle of justice. Another indicator of concern is the allocation of the disaster management budget, both within the National Budget (APBN) and Regional Budgets (APBD), as well as the allocation of funds in the form of ready funds. The difference in authority between the two lies in the scope of policy. Regional governments are specifically mandated to manage disasters within their own regions, while the central government, in addition to determining disaster status levels, is more responsible for formulating national-scale policies, which must align with national development policies.*

Keywords: *Law Enforcement, Business Actors, Natural Disasters*

Introduction

Natural disasters are very unexpected events that impact every human life where natural disasters come suddenly which have a bad impact on those affected by the disaster, but there are a handful of business actors who consider natural disasters to be an advantage for business actors where the disaster is a business field. In a natural disaster situation there will definitely be a shortage of materials, both primary and secondary needs, where business actors take advantage of the situation to raise prices for a shortage of goods such as the increase in the price of staple foods and oil prices which are currently occurring in 3 (three) provinces such as in the Aceh region, North Sumatra and West Sumatra.

Price increases due to shortages of goods have further exacerbated the suffering of communities affected by natural disasters. They have already suffered losses, including the loss of homes, and skyrocketing prices caused by unscrupulous businesses exploiting natural

disasters for personal gain. Businesses should be empathetic in dealing with disasters like these, especially since rising prices are suffocating disaster victims. The government's role is crucial in controlling market prices, which are currently facing hardship. Price increases during disasters have multiple impacts. First, they weaken the purchasing power of people who have already lost their daily income. Second, they create psychological instability because people feel unprotected by the state. Third, they open the door to social crises, resulting in tensions between traders and residents. This situation must not be allowed to develop, as the history of disasters in Indonesia shows that failure to control prices often prolongs the recovery period.

Law No. 8 of 1999 concerning Consumer Protection and related trade regulations provide authorities with the authority to monitor, enforce, and prevent fraudulent practices. Therefore, measures such as field inspections, coordination with the Department of Industry and Trade, daily price monitoring, and even trader education are not merely moral imperatives but constitutional requirements to ensure the social cycle continues. However, it must be recognized that traders are also impacted. Stocks dwindle, distribution channels are disrupted, and operational costs can increase. Under these conditions, price stabilization cannot be achieved solely through a repressive approach. It requires synergy between authorities, local governments, and businesses. Traders need to be guided, not marginalized. They must be positioned as part of the solution, not simply objects of action.

The National Disaster Management Agency (BNPB) released the latest data regarding the death toll from floods and landslides that hit three provinces on the island of Sumatra. Hundreds of people died and hundreds more are still missing. BNPB stated that the total number of victims in the three provinces has now reached 1,129 people. "The recapitulation of the three provinces has increased by 17 people, so the total number of deaths is 1,129," said the Head of the Data, Information and Communication Center. Then, the number of refugees is 496,293 people. The largest number is in Aceh, namely 473,323 people, followed by North Sumatra with 13,262 people, and West Sumatra with 9,708 people (Abdulkadir Muhammad, 2004).

Literature Review

In English, we know the term legal protection as "rechts bescherming." Etymologically, legal protection consists of two syllables: protection and law. According to the Big Indonesian Dictionary, protection can be defined as a place of refuge, an act (action, etc.), a process, a method, or an act of protecting. Legal protection is a right of every citizen. On the other hand, legal protection is also an obligation of the state itself. Therefore, the state is obliged to provide legal protection to its citizens. The principle of legal protection itself is that legal protection for the community is based on and derived from the concept of recognizing and protecting human dignity and worth. The following are opinions quoted from several experts regarding legal protection (Setiono, 2024):

- a. According to Satjito Rahardjo, legal protection is an effort to protect a person's interests by allocating a Human Right that is given to him to act in the interests of that person.
- b. According to Muchsin, legal protection is an activity to protect individuals by harmonizing the relationship between values or rules that are embodied in attitudes and actions in creating order in social interactions between fellow human beings.
- c. Legal protection is all efforts to fulfill rights and provide assistance to provide a sense of security to witnesses and/or victims, which can be realized in forms such as restitution, compensation, medical services and legal assistance.
- d. According to Setiono, legal protection is an action or effort to protect society from arbitrary actions by authorities that are not in accordance with legal regulations, to

create order and peace, so as to enable humans to enjoy their dignity as human beings.

From this understanding of legal protection, it can be concluded that legal protection is an effort made by the state to protect legal subjects' rights, both preventively and repressively. Legal protection is divided into two types (H.R. Sardjono dan Frieda, 2023) :

a. Preventive Legal Protection

Preventive protection is protection provided by the government with the aim of preventing violations before they occur. This is contained in laws and regulations with the aim of preventing violations and providing guidelines or limitations in carrying out obligations. This legal protection has its own provisions and characteristics in its application. In this preventive legal protection, legal subjects have the opportunity to submit objections and opinions before the government issues a final decision. Because of its nature, which emphasizes prevention, the government tends to have freedom of action, so they are more careful in implementing it.

b. Repressive Legal Protection

Repressive legal protection is final protection in the form of sanctions such as fines, imprisonment and additional penalties given when a dispute has occurred or a violation has been committed.

In this repressive law, legal subjects do not have the opportunity to file objections because they are handled directly by administrative courts and general courts. In addition, this is a final protection that contains sanctions in the form of imprisonment, fines and other additional laws. This legal protection is provided to resolve a violation or dispute that has occurred with the concept of legal protection theory that is based on and sourced from the recognition and protection of human rights and is directed at restrictions on society and government.

According to R. La Porta in the Journal of Financial Economics , the form of legal protection provided by a country has two characteristics, namely preventive (prohibited) and punitive (sanction). The most obvious or clear form of legal protection is the existence of law enforcement institutions such as courts, prosecutors, police, and other non-litigation dispute resolution institutions. Thus, it is in line with the definition of law according to Soedjono Dirdjosisworo who stated that law has various meanings in society and one of the most obvious of the understanding of law is the existence of law enforcement institutions.

Method

Research generally aims to discover, develop, or test the truth of knowledge. In this paper, the author uses a normative-juridical research method. Deductive research begins with an analysis of the articles in the laws and regulations that govern the problem. Juridical research refers to research that draws on library research . Normative research aims to obtain normative knowledge about the relationship between one regulation and another.

Result and Discussion

1. Law Enforcement Against Business Actors Who Increase Prices During Flood Disasters

The scope of trade is regulated regarding the relationship between business actors and consumers, the regulated relationship covers the rights and obligations of business actors and consumers to ensure efficient cooperation and not harm either party. In Law No. 8 of 1999 concerning Consumer Protection, Chapter IV which regulates "Prohibited Actions for Business Actors" One of the prohibited actions by business actors as regulated in Law No. 8 of 1999 concerning Consumer Protection Article 10 which reads "Business actors in offering goods and/or services intended for trading are prohibited from offering, promoting, advertising or making false or misleading statements regarding:

- a) The price or rate of a good and/or service
- b) The usefulness of a good and/or service
- c) Conditions, liabilities, guarantees, rights or compensation for goods and/or services
- d) Discounts or attractive prizes offered
- e) Dangers of using goods and/or services”.

Letter (a) clearly states that business actors are prohibited from misleading consumers regarding prices/tariffs when offering their goods. This is intended to prevent consumers from being disadvantaged by sudden or excessive price increases. These regulated price increases are also important in certain situations, one of which is during natural disasters, where price becomes a primary consideration.

It is important to know that the price of goods has skyrocketed, which was done by business actors who took advantage of the difficulties during the flood disaster in 3 provinces, namely Aceh, North Sumatra and West Sumatra, where business actors did not show sympathy for the community when the disaster hit, making it difficult for the community to get food and drink.

There are several factors contributing to this price increase: one is the total paralysis of transportation, where roads are cut off due to landslides, making goods difficult to obtain. The other is the increasing demand, but scarce goods such as food and clean water are very limited to obtain. These are all causes of scarcity and rising market prices. The price of goods in stores is increasing, but stocks are limited. As a result, business actors raise prices, so prices of goods soar due to high demand for these goods, while the number of goods offered by business actors is not comparable to the large demand.

Based on the results of research in the field, business actors raise prices, then this is clearly regulated in Article 10 paragraph (a) of Law No. 8 of 1999 concerning Consumer Protection that entrepreneurs are prohibited from offering incorrect prices/rates for goods. That the sudden price increase coinciding with the natural disaster of a cyclone is an incorrect price offer and also intentionally harms consumers because the need for goods increases so that consumers have no other choice but to buy the goods which in the end the entrepreneur will get multiple profits from a reasonable price. Therefore, the entrepreneur has violated Article 10 paragraph (a) of Law No. 8 of 1999.

2. The role of the government in addressing the increase in basic food prices that occurs during floods

Accelerating food distribution and strengthening supplies are considered key factors in preventing price spikes following the hydrometeorological disasters in Aceh, Sumatra, and West Sumatra. In this regard, the central and regional governments must take swift action to prevent further casualties from natural disasters.

The fourth paragraph of the Preamble to the 1945 Constitution of the Republic of Indonesia (UUD 1945) mandates that the Government of the Republic of Indonesia protect all the people and all of Indonesia's homeland, advance public welfare, educate the nation's life and participate in implementing world order based on freedom, eternal peace and social justice (Explanation of Law Number 24 of 2007).

As an implementation of this mandate, national development is carried out with the aim of realizing a just and prosperous society that always pays attention to the right to livelihood and protection for every citizen within the framework of the unitary state of the Republic of Indonesia. From this phrase, it can be interpreted that the initial intention of the establishment of the Government of the Republic of Indonesia is to provide protection for all Indonesian citizens (WNI) and the entire Indonesian homeland from various threats, including threats due to disasters (Setiono, 2024).

Disaster management is one part of national development, namely a series of disaster management activities before, during, and after a disaster occurs. On April 26, 2007, Law Number 24 of 2007 concerning Disaster Management (Disaster Management Law) was passed. The Disaster Management Law states that a disaster is an event or series of events that threaten and disrupt the lives and livelihoods of people caused by natural and/or non-natural factors or human factors, resulting in human casualties, environmental damage, property losses, and psychological impacts. Natural disasters are disasters caused by events or a series of events caused by nature, including earthquakes, tsunamis, volcanic eruptions, floods, droughts, hurricanes, and landslides.

Disaster management itself aims to:

- a. Provide protection to the community from the threat of disaster;
- b. Harmonize existing laws and regulations;
- c. Ensure that disaster management is carried out in a planned, integrated, coordinated and comprehensive manner;
- d. Respect local culture;
- e. Building public and private participation and partnerships;
- f. Encourage the spirit of mutual cooperation, solidarity and generosity; and
- g. Creating peace in social, national and state life

Under the Disaster Management Law, the central government and regional governments are responsible for implementing disaster management. Both the central government and regional governments have their respective responsibilities and authorities in disaster management. The following are the responsibilities of the central government in implementing disaster management, including (Setiuono, 2024) :

- a. disaster risk reduction and integration of disaster risk reduction with development programs;
- b. protecting communities from the impact of disasters;
- c. guaranteeing the fulfillment of the rights of communities and refugees affected by disasters fairly and in accordance with minimum service standards;
- d. recovery from the impact of disasters;
- e. adequate allocation of disaster management budget in the state revenue and expenditure budget;
- f. allocation of disaster management budget in the form of ready-to-use funds; and
- g. maintenance of authentic and credible archives/documents from disaster threats and impacts.

The central government's authority in disaster management is as follows (Marzuki, Peter Mahmud. (2010) :

- a. determination of disaster management policies in line with national development policies;
- b. preparation of development plans that include elements of disaster management policies;
- c. determination of national and regional disaster status and levels;
- d. determining cooperation policies in disaster management with other countries, agencies or other international parties;
- e. formulation of policies regarding the use of technology that has the potential to be a source of threats or disaster hazards;
- f. policy formulation to prevent the control and exploitation of natural resources that exceeds nature's ability to recover; and
- g. control of the collection of money or goods of a national nature.

At the regional level, the Disaster Management Law regulates the responsibilities of regional governments in disaster management, namely (HR Sardjono and Frieda, 2023) :

- a. guaranteeing the fulfillment of the rights of communities and refugees affected by disasters in accordance with minimum service standards;
- b. protecting communities from the impact of disasters;
- c. disaster risk reduction and integration of disaster risk reduction with development programs; and
- d. adequate allocation of disaster management funds in the regional revenue and expenditure budget.

Conclusion

Price increases caused by natural disasters are something beyond our control as humans, but in this case, the regional government and the central government must also be alert and responsive in providing assistance and appeals to the public not to increase the prices of basic necessities such as basic necessities and fuel, and the government is also obliged to take action against business actors who increase prices beyond the community's ability.

The natural disaster that occurred in 3 provinces, namely Aceh, North Sumatra and West Sumatra, the central government should also declare this disaster a national disaster in order to accelerate recovery and provide rapid assistance to stabilize the economy of the people affected by the flood disaster.

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