

The Role of E-Commerce Through the Internet in the Era of Globalization Related to Trade Contracts and Transactions in Commerce in Society

Elyani¹, Dahris Siregar², Bobby Alhabsyi³, Rio Apriyanto⁴, Rahmad Kurniawan⁵, Sari Devi⁶, Siti Maharrani⁷

^{1, 2, 3, 4, 5, 6, 7} Universitas Tjut Nyak Dhien Medan

ABSTRACT

In this era of globalization, the development of science and technology has been increasing rapidly. The discovery of the internet which is an information technology capable of helping people in exchanging information with anyone. Over time, the growing globalization in information technology also has an impact on electronic commerce (*e-commerce*) and the occurrence of trade contracts. Trade contracts or agreements are made by the parties through an electronic system, meaning that the parties do not meet face to face. The concept of e-commerce certainly provides advantages or advantages in its use when compared to conventional concepts. Some of the advantages or advantages of *e-commerce* are that information can be obtained in more detail, quickly without any time limits, including places and the transaction process is much easier to do. This study uses a descriptive method with a normative approach to obtain data. The collected data will be analyzed using qualitative analysis, which is described in sentences. The purpose of this research is to find out the role of *e-commerce* in the era of globalization and how people use or take advantage of *e-commerce*.

Keywords: E-Commerce, Internet, Trade Contracts

Received:	Revised:	Accepted:	Available online:
15.11.2022	21.11.2022	12.12.2022	20.12.2022

Suggested citations:

Elyani & et al. (2022). The Role of E-Commerce Through the Internet in the Era of Globalization Related to Trade Contracts and Transactions in Commerce in Society. *International Journal of Community Service*, 01 (02), 206-213. DOI: 10.55299/ijcs.v1i2.257

Open Access | URLs:

<https://ejournal.ipinternasional.com/index.php/ijcs/OpenAccessPolicy>

INTRODUCTION

Indonesia is a developing country consisting of a diverse population. Population development has led to the development of various aspects of Indonesian people's lives. One of the prominent developments is the development of technology. Various aspects of Indonesian people's lives have taken advantage of technological advances in their applications. Rapid technological developments have made the internet multifunctional.

The increasing acceleration of technology is also a material cause of continuous change in all interactions and activities of the information society. Advanced technology, the internet has created a new digital culture known as the digital world. Due to the existence of the digital world, everyone has the right and ability to relate to one another, and no boundaries can stop them. The following technological advances have also changed the way of communicating with each individual or people because they also affect every social factor. The use of technology has made it possible to present various information.

Advances in technology have brought rapid changes in life. Technology is used to drive rapid business growth, because various information can be presented through long-distance relationships and transactions do not have to be face to face, but simply via the internet. The internet is one proof of the fact of the development of the era of globalization.

Globalization is seen as a national economic process towards a world economic community that is interconnected, interdependent and mutually influencing. Globalization has had a tremendous impact on aspects of social life, especially on the legal side. Globalization of law occurs in the sense that the contents of various laws and treaties transcend national boundaries and become increasingly obscure. Meanwhile, the laws of the world are increasingly integrated.

Today's information technology facilitates human activities as creators, developers and users of the technology itself. One of them is the rapid development of internet media. The internet is widely used for various activities such as browsing (browsing, surfing), searching for data and news, sending messages via e-mail. Evidence of other technological advances is seen in the field of trade. Trading activities by utilizing internet media are known as *electronic commerce* or commonly abbreviated as *E-Commerce*. One of the laws related to *e-commerce* is Law no. 7 of 2014 concerning trade which regulates all matters relating to trade both offline and online. The use of technology also affects how transactions used to be carried out face-to-face, now parties can carry out transactions without meeting or face-to-face. Enough with equipment such as computers and other communication tools.

The development of information technology has also formed a new global society that is no longer constrained by regional boundaries and has made everything far away a reality. The internet and information technology are new inventions in the last decade that affect people's lives. Some human activities change dramatically by leveraging efficiency and mobility.

In today's global trading world, electronic transactions are something that cannot be avoided. *Electronic Commerce (E-Commerce)* is also an example of current information

technology advances, because business transactions are no longer carried out conventionally. Conventionally, it means that it requires both parties, namely the buyer and seller, or the necessity to use cash. Currently, sellers operate with a system that serves buyers online via a computer network. When making transactions, buyers communicate with the system that represents the seller. This is, *e-commerce* requires a system infrastructure that is able to guarantee transaction security.

The era of global trade requires the support of the digital economy which is reflected in the emergence of *e-commerce* activities in various forms of activities such as retail trading, goods auctions, service offerings, services and others. The use of *e-commerce* is intended to make it easier for people to bring their goods to market quickly or instantly. Therefore, e-commerce is in great demand by today's society because it is very beneficial for today's society, which really needs the role of e-commerce. For existing digital merchants, e-commerce is becoming an increasingly important source of income for households, and more and more people are becoming the main earners in households that use e-commerce as their main source of income.

METHODS

The research method used in this research is a descriptive research method with a normative approach to collecting data. The collected data will be analyzed using qualitative methods. When the data has been obtained or collected, the researcher will describe the research results or data in the form of sentences, according to the type of method that has been determined. In addition, the researcher has chosen a location as a research location, namely a trading place in a residential area. The purpose of this research is to find out how transactions and the use of e-commerce for traders in the surrounding environment.

RESULTS AND DISCUSSION

Trading Contracts and Electronic Transactions (*E-commerce*)

In simple terms, *e-commerce* can be understood as a type of transaction that trades goods or services through electronic media. Trading contracts are essentially engagements and discussing the contract is the same as discussing the definition of the engagement itself. The engagement in question is an existing engagement and is described in civil law books. According to Laodon & Laodon 2009, *e-commerce* can also be defined as activities that use digital information and communication technology in conducting commercial transactions between businesses as intermediaries in trade.

Engagements are divided into general rules and special rules that categorize specific contracts known as maker engagements. Therefore, the commitment is prepared and equipped with the identity of the legislator, and is called the maker because, in addition to the maker, it also includes commitments that are not regulated by legal provisions. For example, lease and purchase obligations and other obligations. Legislation of a person's actions can be divided into two, namely actions that are authorized by law and actions that are authorized by law. Illegal by law is like dealing

with someone else 's property without your knowledge. An unlawful act is an act that can harm other people.

The rules for trade contracts using the internet or digital media are regulated in the Indonesian contract law section contained in Article 1320 of the Civil Code and Article 1234 of the Civil Code, which regulate the legal terms of the contract. It consists in giving something, doing something, doing something and doing nothing.

There are several principles in trading contracts via the internet (*e-commerce*) , namely:

1. The principle of freedom of contract, the parties are free to enter in any form but may not violate the law and social order in society. Legalizations for separate contractual acts are different from contract law. It must be put aside, because it is regulated in the provisions of the second book of the Civil Code, that the parties do not decide anything other than what has been regulated in the laws and regulations.
2. The principle of consensuality, related to this principle in contract law, is included in Article 1320 of the Civil Code which stipulates that several factors that shape the validity of a contract are the agreement of the parties themselves. However, there are exceptions in the article, namely provisions that regulate the existence of a form in a type of commitment.

e-commerce media in the world of commerce has had an impact on the international community in general and the Indonesian people in particular. For the Indonesian people, this is a very important legal issue. The importance of legal issues in the field of *e-commerce* lies in protecting parties who transact business, especially via the internet. The importance of this matter, Indonesia has issued special regulations governing transactions on the Internet in Law Number 11 of 2008 concerning Information and Electronic Transactions (hereinafter abbreviated as UU ITE).

The purpose of implementing Information and Electronic Technology Utilization is contained in article 4, namely:

- a. Educating the life of the nation as part of the world information society.
- b. Develop trade and national economy in order to improve people's welfare
- c. Improving the effectiveness and efficiency of public services.
- d. Opening the widest possible opportunity for everyone to advance their thoughts and abilities in the field of using and utilizing Information Technology as optimally as possible and responsibly.

A commercial contract is a written agreement of legal action by two or more parties in which each party is obliged to perform, or not to perform, one or more services of economic value. In this case the engagement is through an agreement between two or more people which creates rights and obligations (Oppusunggu, 2009:2).

E-commerce contracts also require each party to carry out the terms of the contract by providing the right model and type, the right quantity and color, and the right features at the specified time. However, that does not mean doing nothing, this is to prevent intentional or unintentional violations of individual rights. There is a difference between not doing what the commitment says and not doing what the commitment says. Failure to comply with the agreement is a violation of the terms of the agreement.

There are several classifications regarding the type of contract, according to Sergio Maldonado, there are three types of contracts, namely:

- 1) Contracts made between *natural persons* and computer systems. In this case it refers to an individual because the contract is made in the name of that person and the name of the legal entity (company) concerned.
- 2) A contract made between two computer systems. For example, contracts created between electronic agents and XML-based data. This agreement is a type of contract formed through interaction between a computer system that acts as an *electronic agent* and the parties involved in the transaction.
- 3) Contracts made between two or more people (individuals). For example, a contract is concluded by e-mail. The contract between these two physical men is clear enough for the writer to feel that no further elaboration is needed.

Involvement in electronic media (*e-commerce*) can change people's trading habits. This is because the traditional system that is implemented physically does not allow involving many parties in its implementation, so it is vulnerable to violations of the law. The public perception is that the transaction itself is a sale and purchase agreement between parties agreeing on a legal relationship. In law, a transaction is understood as an engagement or legal relationship that arises between the parties. So, when we talk about a transaction, we're actually talking about an important aspect of the legal relationship agreed upon between the parties, so unless we're having a legal relationship involving real estate, that legal transaction isn't appropriate to refer to formally.

In *e-commerce*, the bidder is the seller, in this case offering goods through an attractively designed website for transit. Every internet user can freely visit virtual stores and buy any item they need or are interested in. If the buyer is really interested in the product, he just has to choose the product according to his wishes. After the seller receives the order, the seller usually sends an email or telephone to the consumer to confirm the order. The process of preparing and accepting bids raises the question of when an agreement will be reached. Countries that are members of the *European Economic Community* provide guidelines to member countries by implementing the system. This system works like this: after a potential buyer sees an offer from a prospective seller on his computer screen, the prospective buyer first accepts the offer. The seller must also obtain confirmation and approval from the prospective buyer to the buyer regarding acceptance of the acceptance of the prospective buyer. Many sellers don't, because there is no such provision in law Indonesia and there is no obligation for the seller to prove to the buyer. This is very detrimental to consumers / buyers because the buyer does not know whether the order has been received. If there is a default, it is difficult to calculate when the default occurred.

Electronic transactions include legal actions carried out using computers or other electronic media. When carrying out buying and selling transactions by electronic means, the parties involved in carrying out legal relations are outlined in the form of an agreement or contract. Article 1 number 18 of the Law on Information and Electronic Transactions (ITE) states that an electronic contract is an agreement contained in an electronic document or other electronic media, including e-mail. That is, transactions via the internet are carried out without face-to-face meetings, but

transactions based on trust. However, this also has consequences, for example when one party violates the law when making buying and selling transactions electronically it will make it difficult for the aggrieved party. Then, to sue for damages is quite difficult because from the beginning the legal relationship between the parties was not carried out directly or face to face. Even though the world of the Internet discovers the latest technology every day, and the protection and legal certainty of the internet is guaranteed, it still cannot stop buying and selling transactions that occur via the internet.

Trade Contract Agreement (E-commerce)

In electronic commerce, contracts that appear are not only on paper but can be done digitally or known as e-contracts. Electronic commerce, that is, all coverage is loaded and the form of all data the parties use regarding the agreement. *e-contracts* arise because technology using services or goods is offered as a medium. The form of an e-commerce contract may not be in written form. The written form is easier to prove than the unwritten form. This principle of free form makes it possible to receive statutory contracts, electronic forms, internet, e-mail, fax and more.

Based on the explanation of UU ITE article 1 number 17 stated that " Electronic contract is an agreement between parties that is designed through an electronic system". According to Johannes Gunawan, an electronic contract is a "contract standards that are designed, formed, determined, duplicated, and disseminated digitally through the internet site. The consequences of rules based on a trading contract agreement via the internet (*electronic commerce*) are capable of causing subjective conditions and capable of causing objective conditions.

An agreement is considered valid if it fulfills the elements referred to in Article 1320. Likewise the principle of contractual freedom adopted from the Civil Code, in which the parties are free to make contracts or in transactions that are carried out with good deeds (found in article 1338). Regardless of the form and media of the contract, the contract is certainly valid and binding on the commitments of the parties. All contracts create obligations arising from law and the contract itself. This is regulated in Article 1233 of the Civil Code. Perdata also stated "There is only one meeting between the two debts, both of which are based on a certain amount or a certain amount of consumer goods, which are of the same nature , and both are consumable. Identification and invoice at the time used in Indonesia, can be met with a fixed amount and can be billed immediately"

The contract will end due to payments regulated by Article 1382 of the Civil Code to Article 1403 of the Civil Code. Debt repayment can be in the form of cash, goods, or services. Changing or renewing an obligation is a method of terminating an agreement but creating a new arrangement and this is regulated in Article 1413 of the Civil Code up to Article 1424 of the Civil Code. Renewal of obligations must be based on an agreement between the two parties. According to Yahya (1986: 143), debt extension is a continuation of the previous contract followed by a new contract. Article 1413 of the Civil Code also states: the debt he wrote off. If a new debtor is appointed to replace the old debtor, thereby freeing the debtor from obligations, while the debtor is released from obligations, Civil Code 1425. Article 1435 of the Civil Code stipulates that losses or debt consolidation are stopped. Furthermore, Yahya (1986: 150) states

that the occurrence of compensation is the result of two people who are in the same position as debtors meeting each other, demanding payment from each other and freeing themselves from responsibility.

In *e-commerce*, the bidder is the seller, in this case offering goods through an attractively designed website for transit. Every internet user can freely visit virtual stores and buy any item they need or are interested in. If the buyer is really interested in the product, he just has to choose the product according to his wishes. After the seller receives the order, the seller usually sends an email or telephone to the consumer to confirm the order. The process of preparing and accepting bids raises the question of when an agreement will be reached. Countries that are members of the *European Economic Community* provide guidelines to member countries by implementing the system. This system works like this: after a potential buyer sees an offer from a prospective seller on his computer screen, the prospective buyer first accepts the offer. The seller must also obtain confirmation and approval from the prospective buyer to the buyer regarding acceptance of the acceptance of the prospective buyer. Many sellers don't, as there is no such provision in Indonesian law and there is no obligation for the seller to prove to the buyer. This is very detrimental to consumers / buyers because the buyer does not know whether the order has been received. If there is a default, it is difficult to calculate when the default occurred.

CONCLUSION

Based on the explanation of the discussion, the following conclusions can be drawn:

1. In the era of globalization, technological developments are increasingly advanced. Advances in technology have brought rapid changes in life. Evidence of technological advances, especially the existence of the internet and e-commerce
2. With e-commerce, transactions no longer have to be made face-to-face or meet, because they can be done using electronic transactions.
3. Contracts related to contracts in the business world using the internet or digital media are regulated by the section on contract rights in Indonesia in Article 1320 of the Civil Code, which regulates the legal requirements for contracts, and Article 1234 of the Civil Code. Civil law rules to give, do or not.
4. The public needs to be more careful in electronic commerce payments, pay more attention to the inherent security of the websites used and to protect identity security in payment transactions.

Thank-you note

Acknowledgments are given to those who have helped during the research process:

1. Dean of the Faculty of Law, University of Tjut Nyak Dhien Medan, who has helped and provided direction in the form of guidance to the authors so that this research can be completed.
2. Staff or employees of Tjut Nyak Dhien University Medan.
3. To all parties who participated and helped in completing this research.

REFERENCES

- Law Article 1 Number 18 concerning Information and Electronic Transactions (ITE)
ITE Law article 1 number 17 regarding agreements between parties in electronic contracts
- Law No. 7 of 2014 concerning e-commerce
- Article 1320 of the Civil Code and Article 1234 of the Civil Code concerning the legal terms of the contract Article 1382 of the Civil Code to Article 1403 of the Civil Code concerning the expiration of contracts
- Lukito, I. (2017). Legal Challenges and Government's Role in E-Commerce Development (Legal Challenges and Government's Role in E-Commerce Development). *Center for Policy Research and Development Agency for Research and Development of Law and Human Rights Ministry of Law and Human Rights Republic of Indonesia* , 11 (3), 349–367.
- Hanim, L. (2014). Legal Protection for Parties in E-Commerce As a Result of Economic Globalization. *Journal of Legal Reform* , 1 (2) , 191 .
- Sianturi, LP (2015). Trading Contracts Through the Internet (Electronic Commerce) From the Law of the Agreement. *Lex Privatum* , 3 (1), 1–15.
- Civil Code, PD, & Mamengko, RS (2020). 1 2 3 4 . VIII (2), 42–51.
- Rizal Alif. (n.d.). *Perspective-Transaction-E-Commerce-In-Globalization-Free-Trade-In-Law.Pdf* (p. 28).
- Nugraha, IBPS, & Yusa, IG (2020). The Legality of Electronic Trading Contracts is Reviewed in the Civil Code. *Kertha Semaya* , 8 (5) ,689 –698.
- Permatasari, A. (2019). Juridical review of trade contracts via the internet (study at the Shopee online shop in Semarang) juridical review of trade contracts via the internet (study at Shopee online shop in Semarang). *Proceedings of the Unissula Student Scientific Conference (KIMU) Law Cluster* , April , 1–13.

Copyright and License



This is an open access article distributed under the terms of the Creative Commons Attribution 4.0 International License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

© 2022 Elyani ¹, Dahris Siregar ², Bobby Alhabsyi ³, Rio Apriyanto ⁴, Rahmad Kurniawan ⁵, Sari Devi ⁶, Siti Maharrani ⁷