



POSITION OF COOPERATIVE AS THE PILLAR OF THE ECONOMY TEACHER IN ORDER TO REALIZE PEOPLE'S WELFARE ACCORDING TO PANCASILA ECONOMY SYSTEM

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Abstract

The purpose of this study is to discover how cooperatives as the pillars of the Indonesian economy teachers, to find out whether cooperatives can create prosperity for the community and to find philosophical cooperatives in the Indonesian economic system. This type of research is normative legal research with the focus of the study being purely norms or positive laws laden with values. The study was conducted on three layers of legal science, namely dogmatic law, legal theory and legal philosophy. The results of the study concluded that the cooperative functions as the pillar of the Indonesian economy teacher according to the Pancasila economic system is as a pillar or as a main buffer or as the backbone of the Indonesian economy. The cooperative is a container for the Indonesian economy that will be able to realize the welfare of society. From a philosophical perspective, cooperatives are the most ideal form of business in the Indonesian economic system based on Pancasila.

Keywords: Cooperative, Pillars of teacher, Welfare, Pancasila Economy

INTRODUCTION

Indonesia is part of a global community so that Indonesia is inseparable from association and is bound by international law, including those concerning economic rules. But even so, Indonesia must also be critical in fighting for the rights for the welfare of its citizens, because not all economic policies can be implemented and even if implemented there must be adjustments to the laws in force in Indonesia.

The main objective of decentralization is to improve people's welfare through the administration of government affairs / functions / responsibilities for the provision of better community services. A good implementation of regional autonomy will improve people's welfare. The regional government must be careful in making regulations or legal instruments related to the regional economy, so there is no misperception about regional economic autonomy (Ima Suwandi, 2017). The role of the central government must also be more stringent in overseeing the course of regional autonomy so that national objectives can proceed as they should. The alignments of the central and regional governments to the growth of cooperatives, small and medium-sized businesses in the regions are expected to reduce the gap between established and marginal communities, because with the growth of cooperatives, small and medium-sized businesses will reduce people's dependence on imports and expand employment (Adrim Mardelia, 2011). The highest law governing the economy in Indonesia is contained in Article 33 of the Constitution.

One of the goals of a nation is to prosper the people, the goals of the Republic of Indonesia contained in the Preamble to the 1945 Constitution, namely to protect all Indonesians, and all of Indonesia's blood and to promote public welfare, to educate the nation's life and to participate in world order based on independence, eternal peace and social justice. In the purpose of the country mentioned promoting public welfare. So the national economy is aimed at progress and general prosperity. From Article 33, it is stated that the economy which is arranged as a joint effort based on the principle of kinship is mandated by the 1945 Constitution. Cooperatives are one form of the mandate of Article 33 paragraph (1). The purpose of cooperatives is for the welfare of their members. In Indonesia itself there have been many cooperatives. However, the existing cooperatives still face many problems, including the low quality of institutions and organizations in cooperatives.

Cooperatives according to the 1945 Constitution Article 33 paragraph (1) is a family business with the aim of the welfare of its members. The background of establishing a cooperative arises because of the desire of the lower middle class to improve the economic situation. As a forum for the economy, many people do not believe that cooperatives can develop as companies that can guarantee the welfare of their managers or employees. For this reason, an understanding of cooperatives is very much needed by providing studies by the government.

The development of cooperatives nationally in the future is estimated to show a significant increase but it is still weak in quality. For this reason, a strong commissioner is needed to build a cooperative that is able to help itself in accordance with the identity of the cooperative (Pandji Anoraga dan Ninik Widiyanti, 2017). The prospect of cooperatives in the future can be seen from the large number of cooperatives, the number of members and the

number of managers, the amount of capital, the volume of business and the size of the Remaining Operations (SHU) that have been collected by cooperatives, very prospective to be developed. Future cooperative development models offered are adopting successful cooperatives such as Credit Cooperatives, Savings and Credit Cooperatives and others and problem solving development models in accordance with cooperative conditions such as institutional arrangements for inactive cooperatives and active cooperatives not implementing. To empower cooperatives, both those that are already running and not active, an organized education system needs to be built and must be carried out consistently to develop organizations, businesses and be able to compete with other business actors. This is one of the cooperative values that does not exist in other organizations that need to be continuously implemented and developed. Because cooperative development is a process that requires a long time, consistency, commitment and patience is quite high.

Formulation of the problem

1. How does the cooperative function as a pillar of the Indonesian economy according to the Pancasila economic system?
2. Can cooperatives as a container for the Indonesian economy realize welfare for the community?
3. Is it philosophically the cooperative is the most ideal form of business in the Indonesian economic system?

Research purposes

1. To discover how cooperatives as pillars of the Indonesian economy according to the Pancasila economic system.
2. To find out whether cooperatives as a container for the Indonesian economy can create welfare for the community.
3. To find out whether philosophically cooperatives are the most ideal form of business in the Indonesian economic system.

CONCEPTUAL FRAMEWORK

Cooperative

Literally a cooperative originating from English namely Cooperation which consists of two syllables namely "co" which means together and "operation" which means work. So cooperative means to work together, so that every form of cooperation can be called a cooperative. Cooperatives are business organizations that are owned and operated by people for the

common good. Another definition of cooperatives is a joint effort to improve the economic livelihood based on help. While the provisions of Article 1 number 1 of Law No. 25 of 1992 concerning Cooperatives defines cooperatives as business entities consisting of individuals or legal entities of cooperatives by basing their activities based on cooperative principles and at the same time as a people's economic movement based on the principle of kinship.

Cooperatives are business organizations that are owned and operated by individuals for the common good. Cooperatives based activities based on the principles of the people's economic movement based on family principles. Cooperative principles are the basic provisions that apply to cooperatives and serve as guidelines for cooperative work.

Pillars of the economy teacher

The Indonesian state has a special view of the economy. This is contained in the 1945 Constitution, Chapter XIV Article 33 paragraph (1) which states that "The economy is structured as a joint effort based on the principle of kinship." According to economists, economic institutions or bodies that best fit the purpose of Article 33 paragraph (1) The 1945 Constitution is a Cooperative. Cooperatives are the Pillars of the Indonesian economy teacher. " The meaning of the term cooperative as a pillar of the economy can be interpreted that the cooperative as a pillar or "main buffer" or "backbone" of the economy (Arman Agus, 2009). Thus the cooperative is played and functioned as the main pillar in the national economic system. Its existence is expected to be able to play an active role in realizing the welfare and prosperity of the people.

But in this era of reform, its existence is often questioned, often even saying that it is not too heard anymore and whether it is still suitable as a business entity characterized by democracy and owned by individuals in one group, rather than the amount of paid-up capital like other business entities. Whereas the Cooperative is expected to become a pillar of the national economy (Hendar, 2010). According to the Complete General Dictionary by Wojowasito, the meaning of Sokoguru is pillars or pillars. So, the meaning of the term cooperative as a pillar of the economy can be interpreted as a pillar or cooperative "main buffer" or "backbone" of the economy. Thus the cooperative is played and functioned as the main pillar in the national economic system (Rizqi Maulana, 2012).

Welfare of the people

The term welfare comes from the word prosper which means safe and prosperous and can mean safe regardless of interference (Rahmatullah, 2016). While welfare is defined as things or conditions of prosperity, security, safety and peace. In the provisions of Article 1

number 1 of Law Number 11 Year 2009 concerning Social Welfare is defined as; Social Welfare is a condition of fulfilling the material, spiritual and social needs of citizens in order to live properly and be able to develop themselves, so that they can carry out their social functions.

The term welfare is closely related to the goals of the State of Indonesia. The state was established, defended and developed for the benefit of all the people, namely to guarantee and advance public welfare. This is clearly stated in the opening of the 1945 Constitution which reads: "then rather than that to form an Indonesian government that protects all Indonesian people and all Indonesian blood spills and to promote public welfare, educate the nation's life and participate in carrying out world order based on freedom, peace, eternal and social justice, the national independence of Indonesia was compiled in an Indonesian Constitution.

Pancasila Economic System

The term Pancasila Economic System is the same as the term Pancasila Economic System (PES). The Pancasila Economic System is an economic system based on Pancasila values and morals. This economic system is the identity of the Indonesian economy. Another term for the Pancasila economic system is the democratic economic system. Here the terms economic democracy and Pancasila economy will be used interchangeably. Both are interpreted in a sense that is similar to each other. In the Pancasila economy contained democratic retreat, it can also be called economic democracy.

The Pancasila economic system is the economic system of a country that applies the values and morality of Pancasila as a source of reference for economic activities and policies. That is, there are five sources of value in the Pancasila economic system.

RESEARCH METHODS

Research Type

This type of research is normative legal research with the focus of the study being purely norms or positive laws laden with values. Normative legal research is research that pays serious attention to the existing positive legal structures that nurture and develop them by building logic by conducting a study of three layers of legal science, namely law dogmatics, legal theory and legal philosophy (Bahder Johan Nasution, 2018). Dogmatic law is the teaching of law that describes and systematizes positive law that applies in a particular society and at a certain time from a normative point of view.

Approach Method

The method of approach used in this research is the conceptual approach (conceptual approach), the legislation approach (normative approach) and the comparative approach. The conceptual approach moves from the views and doctrines that develop in the science of law (Peter Mahmud Marzuki, 2010). In this study explained that "building concepts in the study of law is basically an activity to construct a theory, which will be used to analyze it and understand it (Bahder Johan Nasution, 2008).

In order to complete and obtain a valid understanding in research involving cooperatives as an economic container, a comparative approach is carried out, by examining various legal systems that apply in Indonesia and in other countries, especially regarding cooperatives as an economic container for the welfare of the people.

Collection of Legal Materials and Analysis of Legal Materials

Legal material consists of primary legal material, secondary legal material and tertiary legal material. In analyzing legal materials, the authors do it by way of inventorying all laws and regulations relating to the object of research in accordance with the hierarchy, and legal materials relating to cooperatives as pillars of the Indonesian economy and container according to the Pancasila economic system. Then it is done by systematizing all legislation and legal materials that have been inventoried to further interpret norms that have been systematized by axiomatic and hermeneuc thinking with the starting point of philosophical thinking.

COOPERATIVE FUNCTION AS THE PILLAR OF THE INDONESIAN ECONOMY TEACHERS ACCORDING TO PANCASILA ECONOMIC SYSTEM

Basic Principles of Cooperatives as the pillar of the Indonesian Economy

Philosophically, the Indonesian state has a specific perspective on its economy. This is contained in Article 33 paragraph (1) of the 1945 Constitution which states that "The economy is prepared as a joint effort based on the principle of kinship." According to economists, economic institutions or bodies that are most suitable for the purpose of Article 33 paragraph (1) of the 1945 Constitution are cooperative. In cooperatives, capital and business activities are carried out jointly, the results are also for the welfare of the members together. So, a cooperative means a group or association of people or bodies united in ideals on the basis of kinship and mutual cooperation to realize mutual prosperity. Cooperatives are different from other economic bodies or institutions. Cooperatives are the cornerstone of the Indonesian economy. The meaning of the term cooperative as a pillar of the economy can be interpreted as a pillar or

cooperative "main buffer" or "backbone" of the economy. Thus the cooperative is played and functioned as the main pillar in the national economic system.

The Function of Cooperatives as the Pillar of Indonesian Economy Teachers in the Context of Community Economic Development

The role of cooperatives in popular economy is an economic system aimed at realizing people's sovereignty in the economic field. Popular economy has the principle that the economy is structured as a joint effort based on the principle of kinship, besides that the people's economy also wants the prosperity of the people. The principles of populist economics are entirely contained in the Cooperative. In the context of economic democracy or economic democracy, production and consumption activities are carried out by all members of the community and for citizens, while the management is under the leadership and supervision of members of the community itself (Mubyarto, 2002). The principle of economic democracy can only be implemented in a family-based cooperative platform. This shows that the Cooperative has a role in the people's economy because the cooperative is a form of company, the only form of company that is compatible with the people's economy.

Cooperative was founded on the basis of the similarity of needs among its members, these same needs then sought fulfillment through the formation of the company. Cooperatives are founded on the basis of awareness of limited abilities. Therefore it is deemed necessary to unite themselves for the greater common good. The effort is based on a noble ideal to help oneself on the basis of a belief in self-esteem, personal awareness and friendship. Cooperative is a forum for people's economy, by promoting the principles of family and welfare of members.

The Function of Cooperatives as the Pillar of the Indonesian Economy in Creating People's Welfare

According to Law No. 25 of 1992 in Article 4 explained that the functions and roles of cooperatives are as follows:

- 1) Build and develop the potential and economic capacity of members in particular and society in general to improve their economic and social welfare.
- 2) Participating actively in efforts to enhance the quality of human and community life.
- 3) Strengthening the people's economy as a basis for the strength and resilience of the national economy with cooperatives as the pillars of teacher.
- 4) Trying to realize and develop the national economy, which is a joint effort based on the principles of family and economic democracy (UU RI Nomor 25 Tahun 1992).

The role of cooperatives as an institution tasked with bringing prosperity and advancing the people's economy has been shown in many major countries in the world. In the United States, for example, most of the electricity in rural areas is provided by cooperatives. Three quarters of the dairy products consumed worldwide come from dairy farming cooperatives in Australia and New Zealand. In Indonesia, even though the concept of cooperatives is under the umbrella of the law, the existence of cooperatives has not been effective yet. In the era of regional autonomy, each region, especially the village community, must have the confidence that through the cooperative organization, people's economic activities can be calculated and relied on for their strength (G. Kartasapoetra, et.al., 2009).

COOPERATIVE AS A PLACE FOR ORGANIZING DEMOCRATIC ECONOMY

The Role of Cooperatives as a forum for Organizing Democratic Economy in Global Economic Development

In the current era of globalization, the challenges of populist economic development are even greater. The flow of capitalization, corporation and free trade demands that current economic actors act adaptively in dealing with them. Capturing capitalization, the development of multinational corporations with corporate systems and free trade policies is inevitable as part of current global economic flows. And if the populist economic system or the populist economy actors do not adjust immediately they will be crushed by the swift current of capitalization as a form of economic colonization at this time. The government as the regulator must be able to answer this challenge not always by making preventive policies to protect but also developing democratic economic potential in each region to be able to develop into a competitive advantage that is ready to compete in the face of globalization (Bayu Krisnamurti, 2009).

In order to realize its mission, cooperatives endeavor to develop and empower themselves so that they grow strong and independent so that they can improve welfare. In addition, cooperatives try to play a real role in developing and empowering the national economic order based on the principles of kinship and economic democracy in Indonesia in order to create a developed, just and prosperous community. Cooperative development should be directed at institutional and business strengthening so that cooperatives play a significant role in the national and global economy. Therefore, in order to overcome the various factors inhibiting the progress of cooperatives, legal reforms in the field of cooperatives are carried out in accordance with the demands of cooperative development and in harmony with the development of national and global economic order.

Cooperatives as a forum for organizing democratic economy in order to realize society welfare

Theoretically, cooperatives are an appropriate tool to improve welfare, especially for the weak economy, both for micro, small and medium businesses. The Indonesian Cooperative has a mission to improve the welfare of the community. In addition, Indonesian cooperatives have a role to spread the soul and spirit of cooperatives to be developed in private and state companies. In order to realize its mission, cooperatives endeavor to develop and empower themselves so that they grow strong and independent so that they can improve welfare.

In Indonesia, this cooperative was born as an effort to improve the economy of the people oppressed by the colonialists at that time. Cooperatives were born out of suffering as they did in Europe in the mid-18th century. To find out the development of cooperatives in Indonesia, the history of the development of cooperatives in Indonesia can be broadly divided into "two periods", namely the colonial period and the period of independence.

COOPERATIVE PHILOSOPHY IN PANCASILA ECONOMIC DEMOCRACY SYSTEM

Cooperatives as a Base and Idea to Realize People's Welfare in the Pancasila Economy Concept

The true economic thinking of Pancasila is closely related to the popular economic thinking that was initiated by Muhammad Hatta. The Pancasila economy must be able to describe Indonesian people as homo socius, homo ethicus and homo economicus in the economic system based on the principle of kinship (Hastangka, 2007).

Cooperatives that have developed and become large are cooperatives that are aware that cooperatives are business entities engaged in the economy, to realize the welfare of their members and the surrounding community. Therefore, it must be recognized that cooperatives as a business entity should apply various economic principles and rules that generally apply to a company, so they can try more efficiently and be able to compete with other economic actors.

Development of Cooperatives in Several Countries as a Joint Venture and Its Comparison with the Pancasila Economic System

The Cooperative Movement in the world, began in the middle of the eighteenth century and the beginning of the nineteenth century in England. This institution is often called the Pre-Industrial Cooperative. From the history of its development, starting from the emergence of the industrial revolution in England in 1770 which replaced human labor with industrial machines that had an impact on increasing unemployment until the French revolution of 1789 which initially wanted to

subvert the power of a feudalistic king, turned out to bring new hegemony by the capitalists (Hastangka, 2007).

The Economic System with Cooperatives as the Most Ideal Form of Business in the Indonesian Economic System

Indonesia is a country that uses a mixed economic system known as a democratic economic system (Dawam Rahardjo, 2010). The economic democratic system can be interpreted as an economic system in which economic activities are regulated by the people, carried out by the people, and intended for the welfare of the people. In this economic democratic system, all production which controls the lives of many people is controlled by the state, while the rest of the production is left to the market. For this other production, the government only acts as a market watchdog. The economic democratic system which is the elaboration of Article 33 of the 1945 Constitution which clearly states that the management of economic activities must be carried out as a family.

The form of an economic body that is best suited to this system of economic democracy is cooperatives. Explicitly in the Elucidation of Article 33 of the 1945 Constitution, Bung Hatta has included cooperatives as a form of economic body that must be held in the national economy, therefore, cooperatives must become pillars of the national economy.

CONCLUSION

1. The function of cooperatives as pillars of the Indonesian economy according to the Pancasila economic system is as a pillar or as a main buffer or as the backbone of the Indonesian economy.
2. Cooperatives as a container for the Indonesian economy can realize the welfare of society.
3. Philosophically cooperatives are the most ideal form of business in the Indonesian economic system.
4. Further research can examine the Indonesian economic system more broadly, not only cooperatives

SUGGESTIONS

1. Bearing that cooperatives as pillars of the Indonesian economy that function as pillars or economic support in order to realize the welfare of the people are very much needed special attention by the government towards coaching cooperatives.

2. Bearing in mind that in accordance with the philosophy of the Indonesian economy as formulated in Article 33 paragraph (1) of the 1945 Constitution where the most ideal form of economy for the Indonesian nation in the future is cooperatives.

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