CHAPTER IV

CONCLUSION AND RECOMMENDATION

A. Conclusion

So based on the research and discussion which already describes on the previous chapters, therefore we can conclude that:

- 1. The inflow of number of Foreign Direct Investment is one of the biggest factor which influencing or affecting the economic growth of a country, specially Indonesia as developing state.

 The number of the FDI which enter to Indonesia can be said fluctuating but in the trend of positive. But the impatience which occur from the labor party always be expressed through strike in which no fewer occurrences of a strike that could be said to be brutal and very intimidating investor, such as burning the office or burning themselves. So, strike is influencing the inflow of number of FDI to come to Indonesia, because Investor also wanted the secure, good climate of manpower, and quick and clear legal process in the host country.
- 2. The very last regulation or the legislation which regulating all of the aspect of investment in Indonesia has not been able to give the aspect of legal certainty for the investor specially the matter which related to the Industrial Relationship which right to do strike for labor. Added that there is still no regulation about the limitation time of strike has to be finished. The

existence of the Industrial Relationship Court in Indonesia is always depicted with a long process and as well as convoluted who bring their case before the court. At least, the legal protection for the investor from the labor of the strike can be obtained through the Article 146 of Law number 13 of 2003 on Labor which famously called as *lock-out*, or in the rough language it can be said as the retaliation of strike itself.

B. Recommendation

- 1. Indonesia have to be more assertive for the strike which has been done by the labor. Because some of strike is going brutal, and the impact of illegal and prolonged strike which is done by the labor only categorized as absent or skip, and this does not effect for them. Therefore, the government have to take a very special attention to this labor matter in order to invite the FDI to come to Indonesia. Also, it needs support from Indonesia people for not always favorable labor in the Industrial Relationship as Morality Support for the Investor.
- 2. The key to fix or settle the legal protection matter for the Investor in Indonesia is depend on the policy maker and government as the legislation maker here in Indonesia. Indonesia has to show to the other country especially the candidate of FDI that the principles and rights for investor which stated in the Law number 25 of 2007 on Investor can be granted by the investor perfectly as guarantee for them while

doing investment in Indonesia. Also, there has to be more deep and clear article in the Law number 25 of 2007 on investment for the matter which related to the Industrial Relationship in order to make investor feels secure and increase the economic development in Indonesia.

