

## Examining the Reverse Verification of Compensation Demand for Consumers of Products in the Free Trade Era

Holijah\*

State Islamic University of Raden Fatah, Palembang, South Sumatra, Indonesia

M. Rizal

State Islamic University of Raden Fatah, Palembang, South Sumatra, Indonesia

### Abstract

Crimes that inflict the economy, including crimes against consumers in the free trade era in Indonesia, are worthy of the government's attention. The availability of safe products for the consumers is absolute, and business owners are required to be able to produce and distribute products that can compete both locally and internationally. The settlement of economic transaction disputes between the business owners and the consumers must be built on the principles that provide a legal protection for both parties to appropriately address the possibility of risk of injustice including the role of reverse evidence principle in consumer's protection efforts. This principle can be fulfilled if the business owners cannot prove that the consumer's loss is of their own doing. The aggrieved consumer can directly sue the business owner for the products that they sell.

**Keywords:** Business owners; Consumers; Free trade era; Reverse verification.



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### 1. Introduction

Globalization today has entered into all aspects of life, economy, politics, science and technology, culture, education, and more. Ohmae (1995) states that globalization in the 21st century has caused the reduction of nation's barrier, what he called, "the end of the nation state." Meanwhile, globalization in trade is supported by the advanced technology including the internet to connect people. Business owners and consumers have an option to leave the conventional economic transaction as has been done in Indonesia. In other words, we have come to the era of free trade.

The era of free trade is in the form of the expansion and deep integration of market goods, services, and finance between countries in the world. Indonesia is required to embrace the new paradigm as an alternative to consumer protection in the consumer protection legal system in Indonesia in the future. However, the free dynamics of the developing economy market still requires state's intervention in the form of regulation, which will be very influential in the economic development process and the regulation of free trade itself.

Growth and development of goods industry, on the one hand, have a positive impact such as the availability of products in sufficient quantities, better quality, and alternatives for consumers in the fulfillment of their needs. On the other hand, Janus (2006) claims that it also has negative impacts such as the effect of the use of technology itself as well as the business behaviors that affect consumer society.

The implications of free trade in Indonesia bring consequences, such as the increasingly diverse product ranges (product diversification). This actually benefits the consumers since their needs of goods are fulfilled and they have more options to choose from various types and qualities of goods that suit their needs and economic ability. However, these phenomena can lead to imbalanced roles of business owners and consumers, in which the consumer's position tends to be on the weaker side.

The consumers' weak positions can be attributed to several factors. Maynes (as cited in Tarr (1983)) mentioned that large capital requirement, lack of access to technology, control of raw materials, or government regulation that seeks to conserve the competitors rather than competition. Sidabalok (2006) adds that some factors that bring the consumer into the weak and disadvantaged sides are the lack of knowledge of production process, identification of raw materials, and weak bargaining power. Moreover, (Sutedi, 2008) states that this weak position results in the consumers end up as the object of business activity to profit as much as possible through promotion, marketing, and implementation of standard agreements that actually harm the consumers.

The business owners have in-depth knowledge about the products they sell, including all the good and bad things they produce, and the ability and power to hire the best legal experts in case of a lawsuit. Meanwhile, the consumers' knowledge is limited to what has been communicated to them from the business owners, either through advertisement, salesmen, or brochures, resulting in gaps of information and consumers' responsiveness (Kristiyanti, 2008).

Consumer protection, as the consequence of the free trade era with advanced technology and industry, is absolutely necessary since the industrial products are developing on one side while safety and protection are required for the consumers' side. As Holijah (2015) states that the key to consumer protection is that consumers and business owners need each other. For that reason, Jagnes (1995) claims that the country is required to extend the

responsibility to the socio-economic problems faced by the society. A country with no consumer protection has the symptoms of a country losing in the free trade era.

The real issue of consumer protection is to protect every human's interest, which is generally should be protected by the government. To implement the consumer protection in Indonesia, the government has issued the regulation of consumer protection by enforcing the Law of Indonesian Republic Number 8 Year 1999 on the consumer Protection (*Undang-Undang Perlindungan Konsumen* – UUPK or Law on the Consumer Protection).

The Law on the Consumer Protection No. 8/ 1999 is expected to be able to provide legal protection for the society, especially against increasingly mass-produced sophisticated goods, the negative impacts of the free trade in the globalization era, and the fact that the loss experienced by the consumers are commonly caused by the business owners. The consumers' loss is also public's loss since it involves the citizens' loss as well. Therefore, consumers are in need of advocacy help, appropriate measure to settle the compensation lawsuit, and protection to anticipate the risk of unsafe products harming the consumers (Holijah, 2014). The significance of consumer protection in Indonesia is also in line with the protection of various consumers' interest taken from the consumers' right stated in United Nation Resolution No. 39/248 Year 1985 on the guidelines for Consumer Protection. Barkatullah (2011) asserts (1) consumer protection against hazards to health, safety and security, (2) promotion and protection of consumers' social-economic interests, (3) availability of sufficient information for consumers to have the ability to make the right choice according to personal interests and needs, (4) consumers' education; The availability of effective remedies, (5) the freedom to form consumer organizations or groups to voice their opinions in the decision-making process that concerns their interests.

It is only appropriate for Indonesia to enforce a national law that should be able to play a role in reinforcing law internationally (Widjantoro, 1998). The advanced technology in the present has resulted in the consumers' inability to choose the goods that they want to purchase due to the sophisticated technology. One of the means to face this issue is through developing and adjusting the new law paradigm in consumer protection especially the one, which is related to costumers' compensation through the reverse verification in the Law on the Consumer Protection No. 8/ 1999.

The article in the Law on the Consumer Protection No. 8/ 1999 itself implicitly can be found in Article 19, letter (5), Article 28 and Article 22: Business owners will not assume responsibility for the loss complained by the consumers if they can prove that the fault is on the consumers and that the act of verification is business owners' burden of proof. Generally, the burden of proof lies with the plaintiff and not with the defendant. Therefore, it is highly interesting to be further examined. We will discuss the true importance of the reverse verification for consumers pursuing compensation from business owners as a means of consumers' protection in the free trade era and steps that consumers should exercise if the products purchased have harmed them.

## 2. Methodology

The type of research used in this study is a normative research, which is a legal research done through studying the literature and secondary data (Soekanto and Mamudji, 1985). It is based on the hermeneutic paradigm, philosophy, and the scientific nature of legal study that Sidharta (2001) describes as:

... law study is a normative science that falls under a group of practical science in which development are convergent with all products of other science (sociology of law, history of law, and philosophy of law) which is relevant (hermeneutically) to establish legal proposition offered as legal decision as means of concrete legal settlement. Establishing the legal proposition is performed based on the rules of positive law (interpreted) in context of the whole rules of law composed in a system (systematical) and the historical background related to the aims of enforcing them and the purpose of law in general (teleologically) showing the rules of positive law, and referring to sociological factors in cultural and humanity values fundamental to the future projection.

This hermeneutic paradigm is performed through learning from people, which is studying the law by discovering and examining the definitions of law from the perspectives of the users or seekers of justice (Salaman and Susanto, 2004). The management of legal materials with a normative-prescriptive nature is done based on the steps explained by Sidharta, which consists of structuring, describing, and systematizing.

The data are analyzed to get the ultimate definition of the situation and the present condition to answer the problem by interpreting the normative-prescriptive legal materials by a purposive interpretation. It is a contextual interpretation in which researchers pay close attention to the important factors in the form of texts, origins, historical background, former interpretation, social change in society, and economic and political views (Syaifuddin, 2009). This study also used the method of interpretation and reasoning (remembering, reasoning, and arguing) to fill the legal void and incompleteness in the law, especially in consumers' protection law.

The technique of making a conclusion is carried out with a mix of the deductive method for normative-prescriptive law materials, which is then integrated inductively with facts in society for empirical-descriptive law materials to create an evaluative and prescriptive conclusion. With this technique, the conclusion can be made to answer the problems about developing the law of consumer protection by the reverse verification and to provide consumers with the steps for compensation lawsuit of the products purchased from business owners as a means of consumer protection in the free trade era in Indonesia.

### 3. Results and Discussion

#### 3.1. The Importance of Reversed Verification in Compensation Lawsuit for Products from Business Owners that Harms Consumers

The term of the reverse verification system has been known by the public as a language that can easily be understood on such a problem (Andi, 2001). In fact, the correct term is derived from the term, reversing the burden of proof, because it is defined through the grammatical approach known as *Omkering van het Bewijslast* or reversal burden of proof in linguistic aspect which is then freely translated into reversal of burden of proof (Akil, 2009). According to article 66 of the criminal procedure code, the burden of proof of whether there is a criminal offense or not is to the public prosecutor i.e. evidence presented by the suspect and the defendant against allegations and charges by the law enforcement. Furthermore, in the elucidation of Article 66 of the criminal procedure code, this provision is the embodiment of the principle of presumption of innocence. According to Harahap (2010), in terms of the criminal procedure law, the public prosecutor acts as an authorized apparatus to propose all attempts to prove the alleged accusations against the defendant.

However, regarding the burden of proof, if it is in the case of a particularly urgent characteristic, it can be placed no longer in the public prosecutor, but to the defendant. Basically, the reversal of the burden of proof is transferring the burden of proof, which is no longer on the prosecutor, to the Defendant. In other words, the emphasis on the word burden is not on the evidence, but on who has the right to do so. The reversed burden of proof implicitly contains in Article 19 (5) of Article 22 and Article 28. Article 19 in the Law on the Consumer Protection No. 8/ 1999 reads: (1) the business owners is responsible for providing a compensation for the damage, profanation, and / or consumer loss resulting from the consumption of goods and / or services produced or traded. (2) the compensation as referred to in paragraph (1) may be in the form of refund or replacement of goods and / or services of the same or equivalent value, or health care and / or compensation in accordance with the provisions of applicable laws and regulations. (3) the compensation shall be conducted within seven (7) days after the transaction date. (4) the provision of compensation as referred to in paragraph (1) and paragraph (2) shall not apply if the business owners can prove that it is the consumer's fault.

Furthermore, in Article 22 in the Law on the Consumer Protection No. 8/ 1999, this reads the proof of an element of error in a criminal case as referred to Article 19, paragraph (4), Article 20, and Article 21 shall be the burden of the responsibility of the business owners without closing the possibility for the prosecutor to verify. Article 28 in the Law on the Consumer Protection No. 8/ 1999 reads the proof of whether or not there is an element of error in the claim for compensation as referred to Article 19, 22, and Article 23 shall be the burden and responsibility of the business owners.

Based on the Law on the Consumer Protection No. 8/ 1999, in claiming compensation, the consumer may see Article 19 point (4) that it is interpreted through a grammatical interpretation, meaning the law is interpreted by way of deciphering according to common daily language (Hiariej, 2009), from the word "if the business owners can prove the error is the consumer's fault". Then, Article 22 in the Law on the Consumer Protection No. 8/ 1999 on the word proof ..., is the burden of the responsibility of the business owners without the possibility for the prosecutor to verify", and Article 28 on the word, "proof of the existence of an element of error in compensation lawsuit ... is the burden and responsibility of the business owners". This indicates the method of reverse verification principles by business owners in a lawsuit.

Although the reverse verification principle is implicitly contained in the the Law on the Consumer Protection No. 8/ 1999, there are restrictions on the proof of the existence of an element of error, especially the existence of criminal acts in the field of consumer protection. Consumer lawsuits are not just a matter of criminal law enforcement; it is related to a cross-sectoral law, which means, it can be related to various other law enforcement elements including the civil law when it comes to demands for compensation from consumers.

The adoption of the reverse verification principle in UUPK, although having some weaknesses, is only limited if there is an element of error that must be proven by business owners, and it is expected to give more sense of satisfactory for community justice, namely consumers. This means that if there is a consumer dispute regarding the violation of consumer rights then people can demand compensation to the business owners.

Furthermore, there are so many cases in the field of the consumer protection law that is highly harming the consumers such as foods containing formalin, business owners cheating the consumers by producing rice that is not in accordance with what is stated in the contract of rice orders by retailers, and other cases. In 2013, the Directorate General of Standardization and Consumer Supervision of the Ministry of Industry and Trade of the Republic of Indonesia found 307 cases of product violations. By 2016, there have been 216 complaints. However, the number of public complaints remains unbalanced, where Indonesian consumers who come to complain is only 2% of the many consumer disputes that occur (Rajasa, 2017). Some business owners run their business without ethics, and they do not pay attention to regulations. In relation to this case, according Holijah (2014), there are generally two (2) types of business owners' faults: (1) business owners acting arbitrarily without paying attention to ethics and (2) business owners acting arbitrarily without paying attention to law or regulation. The impacts of the general attitudes of business owners are, among which:

1. The actions of business owners either intentional or due to negligence and neglect of business ethics has a wide impact. In such a type, the losses suffered by consumers are in mass (*massive effect*);
2. The impact of the action on number 1 is also instantaneous (rapid effect). Consumers who consume the product can get sick, weak, and even dead. Nevertheless, there are also products which side effects are being realized or felt after some time (hidden effect). Such cases are evident in the case of textile dyes in

food that result in carcinogenic substances that stimulate the onset of cancer in the body. The latter is more detrimental to consumers, because they cannot clearly show evidence if they want to claim a loss;

3. Among the many victims are those in lower society. In general, they have no other choices of goods because they are only able to obtain goods and services produced from unqualified standards (Sihan, 2005).

Moreover, in fact, the business owner responds to the accusation of harming the consumers by way of threatening them and looking for their weaknesses, even accusing them as the cause of their own loss. Based on this fact, it is necessary to conceptualize consumer protection in legislation as an effort to empower consumers through the reverse verification principle as a means of consumer protection. The significance of the regulation of consumer rights in the Law on the Consumer Protection No. 8/ 1999 is inseparable from the implementation of Indonesia as a prosperous country as stipulated in the Law of the Republic of Indonesia 1945 as the political constitution as well as the constitution of the Indonesian economy (Holijah, 2015). The emphasis of the importance of consumer protection, since in general consumers are in a weak position compared with business owners that demands the country to pay more attention to consumer protection issues in the era of the free trade today. This situation is a factor causing the importance of the application of the reverse verification by business owners against losses due to the product in order to actualize a fair consumer protection for both consumers and business actors. Business actors shall be free from liability claim for loss suffered by consumer as stated in Article 27 in the Law on the Consumer Protection No. 8/ 1999, if: (1) the goods are proven not to be traded or intended to be traded, (2) the defects appear later on, (3) the effects occur due to non-compliance with regulations regarding the qualification of goods, (4) consumers' negligence, and (5) the term of lawsuit 4 (four) years since the goods are purchased or the terms of the agreement.

Concerning Article 19 (5), Article 22 and Article 28 in the Law on the Consumer Protection No. 8/ 1999, it is implicitly stated that the reverse verification of the element of error in the compensation claim by the business owners is not fair enough, even though the loss suffered by the consumer has indicated a mistake from the business owners. The reversed verification is used in evidence for cases that are difficult to prove in the civil law, and certainly, it is also applicable in consumer protection because it also integrates with the civil law. The forms of compensation in Article 19 paragraph (2) of the Constitution of the Republic of Indonesia Number 8 of 1999 on Consumer Protection are: (1) Refund or; (2) Replacement of goods and / or services of a similar or equivalent value, or; (3) Health care and/or; (4) Compensation in accordance with applicable laws and regulations. The role of compensation acts as (1) recovery of violated rights, (2) recovery of material or immaterial losses, and (3) recovery to the original state (Sutedi, 2008). The compensation value as a means of consumer protection law should be according to the principle of justice, feasibility, and usefulness. The amount of compensation is adjusted as much as possible to make the injured party recover to the state before losses suffered.

With the emphasis on the weak consumer position and the flow of the free trade today, the means of consumer protection law in Indonesia should accommodate the change in consumer protection globally. However, the consumer protection law enforcement performed by the government today, including the compensation law, and regulation of consumers protection due to the development of national economy in industry and trade, will be less effective if the consumers have no sense of awareness to protect themselves independently.

Therefore, consumers cannot pass the issue of consumer protection fully on the government or even concede to the business owners' willingness to produce and trade goods that will not cause any harm to the consumers since there will always be the possibility of injustice. However, the country is responsible for forming, enforcing, and evaluating the law according to the value, and practice in law abiding society. This government's responsibility for being used as a source of law making later should also be implemented to solve various law problems.

It is obvious from the condition above that we expect the consumers' state of mind is ready for facing and managing the challenges in the globalization era. Nevertheless, the consumers' weaknesses have become more apparent in the midst of the more advancing technology in marketing. This weakness is tended to be taken by advantage by the business owners. We need an optimal and effective technique through easily accessed information in order to get compensation for consumers. One of the techniques is to implement the reverse verification in compensation lawsuit.

In its development, the role of the reverse verification in this limitation should also be supported with the principles of absolute responsibility from business owners of the loss due to their product or service. However, this compensation lawsuit is not applicable when (1) business owners can prove that there are no responsibilities violated by them and (2) business owners can prove that there has been a deal between them and the consumers about the product (Holijah, 2015). These two categories of consumer's lawsuit can be utilized as a means to decide on the case. If none of these are proven, then the consumer's compensation lawsuit will be granted. In other words, the business owners perform the verification of consumer's lawsuit. If they cannot prove that the error is on them, they will have to pay the compensation to consumers. On the other hand, the principle of the reverse verification has its own weakness in that the business owners are also given the possibility to prove that they are not to be blamed. This will come as an advantage since they know more about the good and bad of their products. In addition, they have power to hire lawyers to get them out of the responsibility to pay the compensation, while the consumer is left with no such power.

For that purpose, the reverse verification of consumer's lawsuit should be supported by the principle of absolute responsibility, in which the business owners are responsible for every loss complained by consumers as the risk, so that no matter whose error it is, as long as the consumers complain of loss, the business owners should be responsible. In principle, law is ever-changing and moving forward following the needs of society. Similarly, the



issue of the growth of world economy affects the development of ideas about the importance of applying economic principles in the renewal of consumer protection law in Indonesia (Holijah, 2015).

To simplify, adopting the reverse verification cannot be separated with the development of law and demands from consumer society in Indonesia. Therefore, in case of loss complained by consumers due to using the products from business owners, then the consumers should obtain their restored rights, so that the facts of their loss acts as sufficient proof to show that the business owners are guilty. The implementation of reverse verification in the Law on the Consumer Protection No. 8/ 1999 is one of the government's efforts to provide law protection for both consumer and business owners.

### 3.2. The Consumers' Act in Reverse Verification of Products Harming the Consumers

The reverse verification principle states that the defendant is always held responsible (*principle of liability*) in which stated in consumer protection implicitly contained in Article 19 number (5), Article 22 and Article 28 in the Law on the Consumer Protection No. 8/ 1999. This principle has an important role to help consumers demand compensation caused by the product of the business owners. The reverse verification acts as a means to sue compensation. Meanwhile, it is the business owners' responsibility to prove whether there is a negligence or error in the production process (Handono, 2011) including the responsibility for when the products are being traded.

Consumers protection law in Indonesia demanding rights due to the loss as in responsibility of business owners are stated in Article 4 letter (d) and letter (e) of the Law of the Republic of Indonesia Number 8 of 1999 on Consumer Protection, that consumers are entitled to be heard complaints and opinions, gain compensation and getting consumer protection advocacy. This consumer rights encourage consumers to complain on products that harm them.

The development of a global marketing orientation has transformed the concept, perspective, approaches, and marketing strategies. This has led to the influence of the concept of consumer protection globally as well. The concept of consumer protection globally is intended to protect universal consumer rights that are specific in both situations and conditions.

The growing marketing in the current free trade era utilized by business owners in the system of distributing products requires great focus on the consumer protection in Indonesia. That is primarily because the stage of distributing goods results in a massive relationship. The government's action is crucial in this step related to the consumer protection in general since the possibility of pattern of global distribution with harmful goods is still high. It is based on some arguments. First, in a modern society, business owners offer a variety of the newest products resulting from advanced technology and management. These goods are mass-produced (*mass production and consumption*). Second, there are fundamental changes in consumer market, where consumers often have no a bargaining position to make a proper evaluation towards products and service that they receive. Consumers can hardly be expected to fully understand how to use the availability of the sophisticated products. Third, a modern advertising method provides information on an objectified basis. Fourth, consumers are essentially in an inequality of a bargaining power, because of the difficulties of obtaining adequate information. Fifth, the idea of paternalism behind the law of consumer protection, where there is a distrust of the consumers' ability to protect themselves due to the risk of considerable risk of financial loss) or risk of physical injury.

Discussion on the consumer compensation lawsuit for product responsibility of business owners, where, on the liability of product responsibility from business actors is done based on: First, abreach of warranty relates to the guarantee of the business owners (in particular the producers), that the goods he or she produces or sell does not contain defects. The definition of defects may occur as construction defects, design defects, and / or labeling defect. Second, the negligence means the defendants (business owners) fail to show reasonable care in creating, storing, monitoring, repairing, attaching labels, or distributing goods. Third, strict liability occurs where buyers who experience losses receive a replacement without having to submit warranty evidence. The plaintiff must be able to prove that the purchased goods are damaged and the defendant does not need to show errors in the production process.

In terms of civil relationship between business owners and consumers, there are two groups of consumers from the attachment point of view which is whether or not there is a legal relationship between business owners and consumers. First, consumers have contractual relationships with business owners. Second, consumers have no contractual relationships with business owners. The types of relationship or legal event between business actors and consumers are (1) accountability on the basis of errors, which may arise due to default, the unlawful act, and the unfair act. (2) accountability on the basis of risk, i. e., responsibility that should be borne as a risk to be taken by a business actor on his or her business.

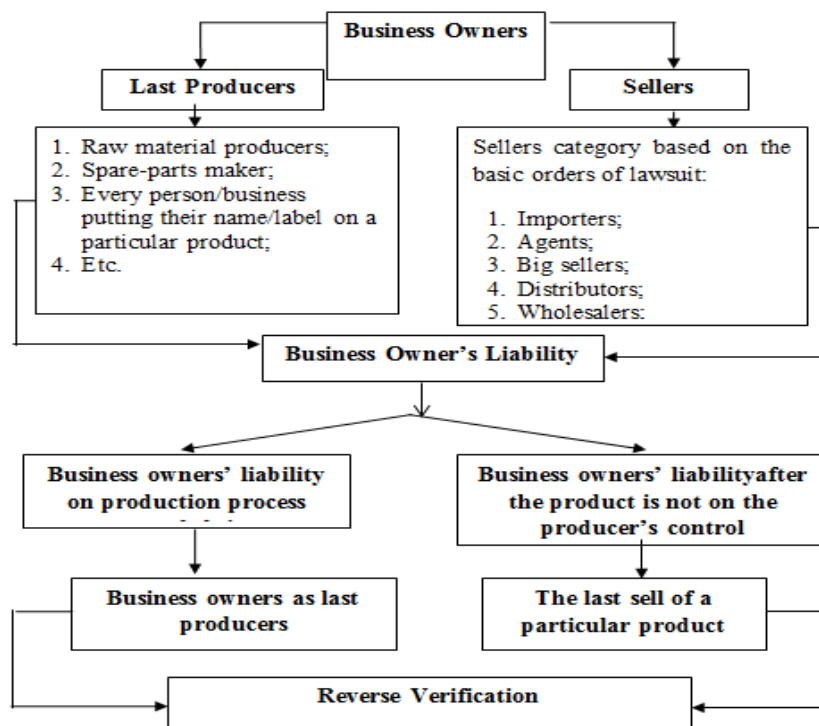
As for the basis of lawsuits of unlawful acts, the specification between business owners and consumers does not require the contractual relations before, this specification, especially in the free trade and globalization era, gives a more legal protection of compensation lawsuit instead of postulating the basic claim of default starting with the existance of contractual relationship. Every consumer can be protected from using harmful products sold by the business owners. In other words, consumers with no contractual relationship can persue a compensation lawsuit against business owners. That is because not every consumer nowadays can get products from direct selling and dealing. Moreover, not every product circulating here has conformed to the Indonesian National Standard (SNI). However, non-standardized products are also accountable according to the quality of the label (Holijah, 2015).

Therefore, business owners as producers and distributors should guarantee that the produced and distributed goods and are safe and quality. In case of lawsuits againts the products sold by them to the costumers, then they should be fully responsible as the burden of losses suffered by the costumers. Product responsibility in this research

is a legal responsibility of business owners of products sold that results in liability of loss from the business owners. Compensation lawsuit of the loss experienced by the costumers is in the responsibility of the business owners. Those in business owners categories are (1) manufacturers of the finished product, (2) producers of the raw materials, (3) manufacturers of the spare parts, (4) any person who lists his or her name, certain identification marks or other marks that distinguish the original product on a particular product, (5) importers of products intended to be traded, rented, leased, or other forms of distribution in the transcation, and (6) suppliers, if the identity of producers or importers cannot be determined (Johannes, 1994).

In the Law on the Consumer Protection No. 8/ 1999 ,there are several categories of business owners that can be sued: (1) business owners in general (stated in Article 9), (2) advertisers (stated in Article 20), (3) importers (stated in Article 21), (4) other business owners (stated in Article 24), and (5) producers of sustainable goods (stated in Article 25) (Samsul, 2004). There are several arguments in determining the order of business owners that can be sued according to the product liability directive as a guideline for EEC (European Economic Community) in drawing up the Law of Consumer Protection on Article 3: (1) the manufacturer of the final product, the manufacturer of any raw materials, or the manufacturer of parts and any person who puts his or her name, brand or any other marks of distinction in the product, makes himself or herself a producer, (2) without reducing the manufacturer's liability, any person who imports a product for sale, rent, or lease, or any forms of dealing in his trading business in the European Economic Community shall be deemed as a producer in the sense that this directive shall be accountable as a producer, and (3) in the event that the producer is not identified, any supplier will be accountable as a producer, except to notify the person suffering loss in the not-too-distant future regarding the identity of the producer or the person who provides the product to him / her. The same shall apply in the case of imported goods / products if the products concerned do not indicate the identity of the importer as referred to paragraph (2), even if the manufacturer's name is included (Miru and Yodo, 2007). The sequence of liabilities of the business owners starts from the producer as the final product maker and the seller comprising of importers, agents, wholesalers, distributors, and retailers as described.

Figure-1. Conceptual grouping of business owners and order of business owners' liability



Based on the limited reversed verification principle as described above, it can be used when: (1) business owners are able to prove that no obligation is violated by them, (2) business owners are able to prove that there has been an agreement about the condition of product between the business owners and the costumers. If the elements mentioned above are fulfilled, the reverse verification system as a means of consumer protection in Indonesia can be applied in a compensation lawsuit against the business owners. However, this principle will be more efective if there is also the implementation of business owner's liability principle in Indonesia along with a strict liability principle which still provides exception. This means that in the application of a strict liability and reverse verification in lawsuit compensation, costumers can sue their loss against the business owners by sufficiently showing their evident loss and the business owners will carry the strict liability regardless of any errors or negligence as long as it is not due to (1) the force majeure factor such as natural disasters, or any change of law and legislation, etc., (2) the product is proven to be illegal for trading, and (3) the costumers' mistake.

## 4. Conclusion

The reverse verification principle for the protection of consumer is very important. The burden of proof of consumer's loss is on the business owners. If they cannot prove that the fault is on the consumers, they have to take responsibility for the consumer's loss and the compensation claim will be granted. With the application of the reverse verification as means of consumer protection, then it is expected that consumers in Indonesia will be able to pursue lawsuit against business owners of the products they received.

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