American Journal of Economic and Management Business
p-ISSN: XXXX-XXXX
e-ISSN: XXXX-XXXX
Vol. 1 No. 1 November 2022

ECONOMIC DEVELOPMENT IN ACCORDANCE WITH PANCASILA AND THE 1945 CONSTITUTION

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Abstract

Economic development as part of national development is one of the efforts to realize just and prosperous people's welfare based on Pancasila and the 1945 Constitution of the Republic of Indonesia. Research methods used in solving problems include analytical methods. The image caption is placed as part of the image title (figure caption) instead of being part of the image. The methods used in completing the study are written in this section. Is corporate financing in the form of providing capital goods with regular payments by companies that use these capital goods, and can be purchased or extended for a period based on residual value. There is also the notion of leasing according to Prof. R. Subekti, S.H. in his book "Many Agreements". This is nothing other than a lease agreement that has developed among entrepreneurs, where the "lessor" leases a company equipment (machinery) including service, maintenance and others to the "lessee" for a certain period of time

Keywords: Economic development; Pancasila; finance

INTRODUCTION

Economic development as part of national development is one of the efforts to realize just and prosperous people's welfare based on Pancasila and the 1945 Constitution of the Republic of Indonesia. In the context of increasing national development which focuses on the economy, the actors include the Government as well as the community as individuals and legal entities, very large amounts of funds are needed, so that with the increase in these development activities, the need for the availability of funds will also increase, most of which are obtained through credit.

The activity of borrowing money or better known as credit in the practice of everyday life is not something foreign anymore, even the term credit is not only known by urban communities, but also to people in rural areas. Credit generally functions to facilitate a business activity, and especially for economic activities in Indonesia, it plays an important role in its position, both for production businesses and private businesses that are developed independently because they aim to improve the standard of living of the community.

One of the facilities that have a strategic role in procuring funds is banking institutions, which have helped fulfill the need for funds for economic activities by providing money loans, among others through bank credit, in the form of credit agreements between creditors as lenders or credit facilities with debtors as parties. who is in debt. Articles 3 and 4 of Law Number 10 of 1998 concerning Amendments to Law Number 7 of 1992 concerning Banking state that the main function of Indonesian banking is to collect and distribute funds from the public with the aim of supporting the implementation of national development towards improving people's welfare. In carrying out its business, banks collect funds from the public in the form of demand deposits, time deposits, certificates of deposit, savings, and or in other equivalent forms. In this case, banks also channel funds from the public by providing credit in the form of bank credit.

The map of the global economy that breaks down national boundaries, market systems and investment models becomes a reference for how big the potential profit and risk of a business that will be carried out by investors.

Trade liberalization is not only a competition between the mainstay commodities, but also a competition in the service sector, in such conditions what is considered by consumers is the level of efficiency, while producers/entrepreneurs are the security level of an organized capital investment.

The leasing financing institution was established based on a joint decree (SKB) of the Minister of Finance, the Minister of Industry and the Minister of Trade of the Republic of Indonesia Number Kep.-122/MK/IV/2/1974, Number.32/M/SK/2/1974, 30/ Kpb/I/1974 dated February 7, 1974, concerning leasing business licensing.

The leasing finance company is a finance company that is still relatively new, at the beginning of its development the leasing business was encouraged by the government in order to encourage the development of the business world by providing several facilities, among others, by providing a delay in tax payments, so that the leasing business developed very advanced and rapidly.

In the context of leasing institutions (leasing) itself, there is a debate whether buying and selling institutions, buying and selling, buying and selling in installments or leasing with an option to buy, this is closely related to material rights which on one side involve the boundaries of rights and obligations. responsibility.

The facilities provided by the leasing company (lease) as a finance company greatly relieve consumers who lack capital to purchase business support tools, so that leasing becomes a very solution.

RESEARCH METHODS

Research methods used in solving problems include analytical methods. The image caption is placed as part of the image title (figure caption) instead of being part of the image. The methods used in completing the study are written in this section.

In the Research Method, Small and non-primary tools (already common in the lab, such as: scissors, measuring cups, pencils) do not need to be written down, but simply write down the main equipment sequence, or the main tools used for analysis and / or characterization, even needing to get to the type and accuracy; Write down in full the location of the study, the number of respondents, how to process the results of observations or interviews or questionnaires, how to measure performance benchmarks; The common method does not need to be written in detail, but simply refers to the reference book. The test procedure should be written in the form of a news sentence, not a command sentence.

RESULT AND DISCUSSION

A. Definition of Leasing

Is corporate financing in the form of providing capital goods with regular payments by companies that use these capital goods, and can be purchased or extended for a period based on residual value.

There is also the notion of leasing according to Prof. R. Subekti, S.H. in his book "Many Agreements". This is nothing other than a lease agreement that has developed among entrepreneurs, where the "lessor" leases a company equipment (machinery) including service, maintenance and others to the "lessee" for a certain period of time. Some definitions of leasing or known as leasing include:

a. The Equipment Leasing Association (ELA-UK)

Leasing is a contract between the lessor and the lessee for the leasing of a certain type of goods or assets directly, from the factory or selling agent by the lessee. The ownership rights of the goods remain with the lessor. The lessee has the right to use the object by paying the rent for a specified amount and period of time.

b. Anembal and Isom

From a legal point of view, leasing activities have 4 characteristics, namely:

1) Agreement between the Lessor and the lessee.
2) Based on the lessing agreement, the lessor transfers the right to use the goods to the lessee.
3) The lessee pays the lessor rent for the use of the goods or assets.
4) The lessee returns the goods or assets to the lessor at the end of the predetermined period and the term is less than the economic life of the goods

c. Decree of the Minister of Finance No. 1169/KMK. 01/1991 dated 21 November 1991 concerning leasing activities.

Leasing is a financing activity in the form of providing capital goods either by leasing with option rights (Finance Lease) or leasing without option rights (Operating Lease) to be used by the lessee for a certain period of time based on periodic payments.

B. Legal Basis of Leasing

Leasing activities are officially allowed to operate in Indonesia after the issuance of a joint decree between the Minister of Finance, Minister of Industry and Minister of Trade Number Kep. 122/MK/IV/2/1974, Number 32/M/SK/2/74 and Number 30/Kpb/I/74 dated February 7, 1974 concerning Leasing Business Licensing in Indonesia.

The authority to provide a leasing business was issued by the Minister of Finance based on Decree Number 649/MK/IV/5/1974 dated May 6, 1974 which regulates the provisions for licensing procedures and leasing business activities in Indonesia.

The minimum provisions for paid-up capital for the establishment of a finance company that carries out leasing business activities are regulated in Pakdes 20, 1988 by Decree of the Minister of Finance No. 1251/KMK.013/1988 dated December 20, 1988, with the amount of paid-up capital or mandatory savings and the principal is determined as follows: National private company Rp. 3 billionn Indonesian-foreign joint venture of Rp. 10 billion Cooperative of Rp. 3 billion.

C. Elements of a Leasing Agreement

1. Corporate financing.
2. Provision of capital goods.

3. A certain period of time.
4. Periodic payments.
5. The existence of voting rights (options).
6. There is a mutually agreed residual value.
7.

D. Parties involved in Leasing

The parties involved in the process of providing leasing facilities are as follows:

1. Lessor
   Is a leasing company that finances the wishes of its customers to obtain capital goods. Lessor is a leasing company or party that provides financing services to the lessee in the form of capital goods. In a finance lease, the lessor aims to recover the costs that have been expended to finance the provision of capital goods by earning a profit. In an operating lease, the lessor aims to benefit from the provision of goods and the provision of services related to the maintenance and operation of the capital goods.
2. Lessee
   Is a customer who submits a leasing application to the lessor to obtain the desired capital goods. Lesse is a company or party that obtains financing in the form of capital goods from the lessor. In a finance lease, the lessee aims to obtain financing in the form of goods or equipment by means of installment or periodic payments. At the end of the contract term, the lessee has an option on the goods, which means that the lessee has the right to purchase the leased goods at a price based on the salvage value. In an operating lease, the lessee aims to meet the needs of the equipment in addition to the operator and maintenance of the equipment without risking the lessee to damage.
3. Suppliers
   Namely the trader who provides the goods to be leased according to the agreement between the lessor and the lessee and in this case the supplier can also act as a lessor. Supplier is a company or party that procures or provides goods for sale to the lessee with payment in cash by the lessor. In a finance lease, the supplier directly delivers the goods to the lessee without going through the lessor as the party providing the financing. In an operating lease, the supplier sells the goods directly to the lessor with payment in accordance with the agreement of both parties, either in cash or credit, which will be repaid in installments.
4. Insurance
   Is a company that will bear the risk of the agreement between the lessor and the lessee. In this case the lessee is subject to insurance costs and if something happens, the company will bear the risk as much as in accordance with the agreement on the goods being leased.

E. Leasing Mechanism

1. Lesse contacts the supplier for the selection and determination of the type of goods, specifications, prices, billing period, and after-sales guarantee for the goods to be rented.
2. The lesse negotiates with the lessor regarding the need for capital goods financing. In this case, the lessee may request a non-binding lease quotation from the lessor. In the quotation, there are the main terms of leasing financing,

including: description of goods, price of goods, cash security deposit, residual value, insurance, administrative costs, guarantee of rent (lease rental), and other requirements.

3. The lessor sends a letter of offer or commitment letter to the lessee containing the principal terms of the lessor's agreement to finance the capital goods needed, the lessee signs and returns it to the lessor.
4. The signing of the leasing contract after all requirements are met by the lessee, where the contract includes the following: parties involved, property rights, term, leasing services, options for the lessee, insurance coverage, responsibilities and objects of leasing, taxation of payment schedules rent installments and so on.
5. Delivery of purchase orders to suppliers accompanied by instructions for delivery of goods to the lessee in accordance with the type and specifications of the goods that have been approved.
6. Delivery of goods and checking of goods by the lessee according to the order and signing the receipt and payment orders are then submitted.
7. Submission of documents by the supplier to the lessor including invoices and other evidence of ownership of goods.
8. Payments by lessors to suppliers.
9. Periodic lease payments by the lessee to the lessor during the lease term, which all include the return of the amount financed along with the interest.

F. Leasing Financing Techniques

Leasing financing techniques can be divided into two categories, namely finance leases and operating leases.

a. Finance Leases

In this lease, the leasing company (lessor) is the party that finances the provision of capital goods. The lessee usually chooses the capital goods needed and, on behalf of the leasing company, as the owner of the capital goods, orders, inspects and maintains the capital goods which are the object of the leasing transaction. In practice, finance leases can be divided into several forms of transactions, including the following:

1. Direct finance leases

   In a direct finance lease transaction, the lessor purchases capital goods at the request of the lessee and directly leases them to the lessee. The lessee can be involved in the process of purchasing capital goods from suppliers.

2. Sale and lease back

   The lessee sells the capital goods to the lessor to then enter into a leasing contract for the goods with a mutually agreed upon period. This transaction method helps lessees who experience working capital difficulties.

3. Leveraged leases

   In this leasing process, the parties involved are the lessor, lessee and long-term creditors in financing the leasing object. It is these creditors who usually provide a large portion of the financing. Long-term creditors, usually financial institutions, such as banks, will provide financing of 60% - 80%, which is called leverage debt without recourse to the lessor. If the lessee defaults and is unable to repay, the lessor is not responsible to the bank.

4. Syndicated leases

   This method occurs when the lease financing is carried out by more than one lessor. This cooperation between lessors is based on risk considerations or leasing objects that require large amounts of funds.

5. Program Vendors

Vendor program is a sales method carried out by dealers to consumers by obtaining leasing facilities. The lessor will pay the object of leasing to the vendor/dealer and then the lessee will pay periodic installments directly to the lessor or through the dealer.

b. Operating Lease In the operating lease technique, the owner of the leasing object or the lessor purchases capital goods and leases them to the lessee. Periodic payments made by the lessee do not include the costs incurred by the lessor to acquire the capital goods and the interest thereon. The lessor expects to gain from the sale of leased capital goods. The lessor may also obtain a source of income from other lease agreements. An operating lease can also be called an ordinary leasing, which is a contractual agreement between the lessor and the lessee, provided that:

a. The lessor as the owner of the leased object hands it over to the lessee for use with a relatively shorter period of time than the economic life of the capital goods.
b. The lessee for the use of these capital goods pays a number of leases periodically to the lessor, the amount of which does not include the total cost of acquiring the said goods and the interest. This is called a nonfull pay out lease.
c. The lessor bears all economic and maintenance risks for the goods.
d. The lessee at the end of the contract must return the object of leasing to the lessor.
e. The lessee can cancel the leasing contract agreement at any time (cancelable).

CONCLUSION

Leasing companies in Indonesia are better known as Leasing. Its main activity is engaged in financing for the needs of capital goods desired by customers. Financing in question if a customer needs capital goods such as office equipment or a car by renting or buying on credit can be obtained at a leasing company. Leasing parties can finance the customer's wishes with an agreement agreed upon by both parties.

Leasing companies can be organized by or stand-alone business entities. The limitation of leasing companies is that they are not allowed to carry out activities carried out by banks such as providing deposits and credit in the form of money.

The definition of leasing in general is an agreement between the lessor (leasing company) and the lessee (customer) in which the lessor provides goods with the right to use by the lessee in return for payment of rent for a certain period of time.

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