

## INTERNATIONAL LEGAL APPROACHES TO DISPUTE RESOLUTION IN GLOBAL BUSINESS ACTIVITIES

**I Gede Riski Wirindranata**

Faculty of Law, Warmadewa University

[Riski102030@gmail.com](mailto:Riski102030@gmail.com)

### Abstract

International disputes often arise due to inconsistencies in the interpretation or implementation of international agreements. The two main issues raised are: 1) how to arrange the settlement of international business disputes according to international law? and 2) what are the forms of dispute resolution? This study adopts a normative legal method with a legislative approach. In the context of international business disputes, international law distinguishes between legal and political disputes, with solutions offered through courts such as the International Court of Justice (ICJ) or alternative settlement methods (ADR) such as arbitration, mediation, and conciliation. In Indonesia, arbitration, regulated by Law No. 30 of 1999, is a popular choice due to the final and binding nature of the decision, as well as the efficiency and flexibility it offers. Both methods, namely arbitration and mediation, are recognized in Indonesia, with arbitration providing legal certainty and mediation offering a cost-effective collaborative approach. In order to manage the risk of disputes and maintain good business relationships, governments need to strengthen regulations and infrastructure for international business dispute resolution and improve business people's understanding of these two methods, including integrating arbitration clauses in contracts.

**Keywords:** Dispute Resolution, Global Business, International Law

### INTRODUCTION

Disputes are social phenomena that arise due to differences in views, interests, or assessments among two or more parties (Huala Adolf, 2020, p. 3). Dissatisfaction experienced by one party regarding actions or decisions taken by another party often serves as the initial trigger for a dispute. In this context, the aggrieved party tends to express its dissatisfaction directly to the party concerned. This communication process becomes a key element in dispute resolution, where various strategies may be employed, ranging from simple negotiations to formal mediation, depending on the complexity of the issue and the interests involved.

In the legal sphere, disputes are generally associated with breaches of contract, property rights issues, or disagreements between individuals, corporations, or other legal entities. The legal dispute resolution process involves judicial proceedings in which both parties present arguments and evidence to defend their respective interests before a judge or arbitrator (Sudargo Gautama, 1987, p. 38). Final decisions are typically based on legal interpretation and the evidence presented during the proceedings. Therefore, court-based dispute resolution constitutes an important mechanism for upholding justice.

In contract law, disputes arise as a consequence of disagreements between parties bound by a contractual agreement. Such disputes may occur when one party fails to fulfill