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Digital Monopoly and Threats to Fair Competition : an Analysis of Antitrust Law in the Platform Ecosystem

Herry M Polontoh
Universitas Cenderawasih, Indonesia

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Corresponding Author:
Author Name*: Herry Polontoh
Email*: 88mherry@gmail.com

***Abstrak*:** The rapid expansion of the digital economy has given birth to a new market structure characterized by the dominance of data-based technology platforms, algorithms, and strong network effects, thus potentially giving rise to a form of digital monopoly that threatens healthy business competition. This study aims to analyze the phenomenon of digital monopoly through the perspective of Indonesian antitrust law, especially based on Law Number 5 of 1999 concerning the Prohibition of Monopoly Practices and Unfair Business Competition. The research method used is normative juridical with a normative, conceptual, and analytical approach to practices and literature related to digital business competition law enforcement. The results of the discussion show that national anti-competition legal instruments face normative and technical challenges in reaching out to practices of abuse of dominant positions in the platform ecosystem, such as self-preferencing, digital bundling, and algorithmic-based market locking that are not explicitly covered in the classic indicators of market share and price. The lack of transparency of the system and the cross-border character of the global platform complicate ICC's supervisory capacity in enforcing the rules effectively. Therefore, this study emphasizes the urgency of reformulating an antitrust regulatory approach that is more adaptive to the reality of the digital economy, both through the redefinition of the concept of market power, strengthening enforcement jurisdiction, and the adoption of global principles that emphasize algorithmic transparency and fairness of access for all business actors.

Keywords: Antitrust; Business Competition; Digital Monopoly

INTRODUCTION

The concentration of economic power in the digital platform industry shows that the seemingly open market structure actually strengthens the dominance of a handful of entities that have control over strategic digital infrastructure. The network effect that increases the value of services as users grow creates invisible barriers to entry for new competitors. That power crystallizes even more as platforms integrate various services that reinforce their position as the only gateway to a particular digital market. This condition raises the potential for exclusive practices that systematically suppress other business actors. Progressively accumulated market dominance in the absence of significant competition demands a sharper regulatory review of these dominating actions. Such concentration of power is not just an economic issue, but a public law issue that

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concerns the principle of market justice. Consumer interests are also threatened when choices and innovations are controlled by one dominant entity.[1] This situation presents the urgency of evaluating the adequacy of antitrust law in responding to the phenomenon of digital market concentration.

Market forces sourced from user data add a layer of complexity to the analysis of competition law which has so far focused on price and market share variables. Data is a strategic commodity that can be used to analyze consumer behavior, direct market preferences, and develop innovations that increasingly lock the dominance of large business actors. Traditional antitrust law has not comprehensively recognized data as an object of economic power that has direct relevance to fair competition. The absence of data-driven power measurement standards opens up space for platforms to expand their control over the market without any meaningful legal barriers. The imbalance of data access between dominant actors and potential competitors results in an unequal competition structure.[2] The freedom to innovate for small actors is eroded because they are unable to compete in the massive use of data. This situation demands an update of the normative approach so that competition law is not left behind by technological dynamics. The relevance of regulation can only be maintained if legal instruments are able to capture the new dimension of digital power.

The business model of digital platforms contains the potential for anti-competitive practices that are disguised behind claims of technological efficiency and service optimization. Behaviors such as *self-preferring behavior*, where platforms prioritize their own products over other business actors, can be framed as innovation while damaging the competitive opportunities of third parties. Control of data traffic and interaction between business actors and consumers gives platforms the ability to determine who can thrive and who is marginalized. Algorithmic policies that are not transparent have the potential to be instruments of market discrimination that are difficult to monitor.[3] This issue shows that platform power includes normative dimensions hidden in the technical realm. When the line between efficiency and exploitation is blurred, antitrust law is challenged to assess the substance of impact, rather than simply a formal form of business conduct. True competition protection must look at the long-term effects on the market, not just the instant benefits to consumers. Therefore, legal judgment must be increasingly critical in distinguishing authentic innovation from exclusive actions that undermine the market.[4]

The digital ecosystem controlled by large platforms has the potential to create market locking through vertical integration and service bundling that limits the mobility of consumers and business actors. Dependence on one ecosystem causes the move to competitor services to be very expensive economically and technically.[5] This condition strengthens the dominance of the main actors and hinders the diversity of

[1] Tan, D., & Sudirman, L. (2024). Analisa Risiko Dan Potensi Regulasi Anti-Trust Untuk Sharing Platform Airbnb. *Jurnal Hukum to-ra: Hukum Untuk Mengatur dan Melindungi Masyarakat*, *10*(3), 544-561.

[2] Kennedy, A. (2024). Analisis Hukum Persaingan Usaha Platform Marketplace Online Pada Era Ekonomi Digital. *Ethics and Law Journal: Business and Notary*, *2*(4).

[3] Parluhutan, D. (2021). Analisis Hukum Kompetisi terhadap" Big Data" dan Doktrin" Essential Facility" dalam Transaksi Merger di Indonesia. *Jurnal Persaingan Usaha*, *1*(1), 83-96.

[4] Mythili, K. C., & Nagamani, K. (2025). Safeguarding women in digital spaces: Legal responses to cyber harassment and objectification on social media. *Development Policy Review*, *43*(5), e70039.

[5] Baker, J. B. (2021). Protecting and fostering online platform competition: the role of antitrust law. *Journal of Competition Law & Economics*, *17*(2), 493-501.

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the market which is the main spirit of competition law. The barriers to displacement are created not through explicit contracts, but through technological design that exploits user preferences psychologically. This raises juridical problems because the practice of locking does not always blatantly violate the law, but has a real impact on competition. The legal regime needs to consider the psychological factors of consumers as part of the competition analysis. The sustainability of healthy competition can only be guaranteed if users have effective freedom of movement, not the illusion of choice. Supervision of technology lock-in practices is key to maintaining a more dynamic market structure.

The dynamics of regulation face challenges when digital business actors operate across jurisdictions at a speed of innovation that exceeds the adaptability of state laws. Antitrust law enforcement is fragmented because each country has different standards and priorities in regulating digital markets.[6] The loophole provides an opportunity for platforms to choose the most favorable jurisdictions and avoid strict scrutiny. The regulatory inconsistency between countries also makes investigations into anti-competitive practices more complex and time-consuming. This situation threatens the effectiveness of the law as a mechanism for balancing economic power. Countries are required to work more closely so that competition laws do not lose coercion in the global economic space. This institutional weakness in coordination even has the potential to create power asymmetry between the state and global corporations. Therefore, competition governance reform must be cross-border oriented to answer the transnational nature of digital monopolies.

The state's reliance on platform-based digital infrastructure poses a risk of compromise to the public interest when regulators have to negotiate with dominant actors. The platform supplies increasingly essential services such as communication, payments, and information distribution, so that their bargaining position with the government increases dramatically. This relationship puts the law in a dilemma between maintaining innovation and protecting market sovereignty. This condition can open up a space *for regulatory capture*, where policies are more accommodating to the interests of the dominant corporation than the interests of the wider community. The great power of the lobby further exacerbates this risk. If the law loses its independence, then the fundamental purpose of competition regulation fails to be achieved. Law enforcement should be designed to maintain a critical distance between regulators and dominant actors. Institutional independence is a prerequisite for the success of a fair digital market arrangement.

Analysis of the threat of digital monopolies demands assessments that go beyond traditional econometric measures and lead to a structural understanding of how market power is formed and exploited. Digital transformation has blurred the boundaries between platform business actors and public infrastructure, making the potential for abuse of power increasingly complex. The alignment of objectives between commercial interests and public interests must be anticipated through a progressive and responsive legal approach. Assessments of anti-competitive behaviour should consider the long-term impact on innovation and consumer well-being holistically. Pseudo-competition must be able to be identified without relying on price indicators that no longer reflect the reality of the digital market. Antitrust law enforcement is not just

[6] Kholis, N. (2024). Urgensi Penegakan Hukum Dan Penguatan Peran Pengawasan KPPU Di Era Industri Digital. *Cendekia Niaga*, *8*(1), 40-56.

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about punishing infringing acts, but ensuring that market structures remain inclusive. The reorientation of analytical instruments is an urgent need in guarding a sustainable digital ecosystem.

The urgency of reforming the competition law framework emphasizes that the state must not passively respond to the concentration of digital power. Legal stakeholders need to formulate regulations that combine economic, technological, and consumer rights approaches to produce a more comprehensive analysis. Delays in responding can create conditions where the market is permanently controlled by certain actors so that the recovery of competition becomes difficult or even impossible. Adaptive regulatory reforms are the main instrument to prevent unhealthy domination from developing further. Antitrust enforcement must be strengthened so that technology does not become a tool of structural exclusion that hinders economic egalitarianism. The success of maintaining healthy competition is an indicator of the strength of the law in the digital era. Without such reforms, antitrust loses relevance as a protector of a just economic order, and digital monopolies can manifest as untouchable power.

METHODOLOGY

This research uses a normative juridical method with an emphasis on analysis on positive legal norms that govern monopoly practices and business competition in the digital platform ecosystem. The approach used focuses on a systematic interpretation of Law Number 5 of 1999 concerning the Prohibition of Monopoly Practices and Unfair Business Competition as the main instrument of national antitrust law in assessing the legality of the behavior of business actors in a dominant position in the digital market. This normative study is carried out through an analysis of the relevant principles and provisions in the Law, including the prohibition of anti-competition agreements, abuse of dominant positions, and market control that inhibits business competition.

Normative research aims to examine and understand how the law should apply (das sollen), not how the law is practiced in empirical reality (das sein), so that the entire analysis process relies on primary and secondary legal materials that are textual and conceptual.[7]

As explained by Peter Mahmud Marzuki, normative legal research is a method that focuses on the study of legal materials as the main object of study, by interpreting and constructing applicable laws to answer certain legal issues.[8] According to Marzuki, this approach is prescriptive because it aims not only to describe the law, but also to provide normative arguments for the validity of a legal action or act in the legal system adopted.[9] Meanwhile, Soerjono Soekanto and Sri Mamudji stated that normative legal research includes research on legal principles, legal systematics, legal synchronization, legal history, and comparative law.[10]

[7] Novea Elysa Wardhani, Sepriano, and Reni Sinta Yani, *Metodologi Penelitian Bidang Hukum* (Jambi: PT. Sonpedia Publishing Indonesia., 2025).

[8] Peter Mahmud Marzuki, *Penelitian Hukum* (Jakarta: Kencana Prenada Media Group, 2011).

[9] Mahlil Adriaman et al., *Pengantar Metode Penelitian Ilmu Hukum* (Padang: Yayasan Tri Edukasi Ilmiah, 2024).

[10] Rangga Suganda, "Metode Pendekatan Yuridis Dalam Memahami Sistem Penyelesaian Sengketa Ekonomi Syariah," *Jurnal Ilmiah Ekonomi Islam* 8, no. 3 (2022): 2859, https://doi.org/10.29040/jiei.v8i3.6485.

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The statute approach is used to understand the structure of obligations and legal limitations for digital platforms, especially related to Article 17 of Law 5/1999 concerning market dominance and Article 25 regarding the abuse of dominant positions that have substantial compatibility with the phenomenon of data-based monopoly and network effects. In addition, a conceptual approach was applied to examine whether classic concepts such as market share, price, and barriers to entry are still relevant in assessing the market strength of digital platform players sourced from data, algorithms, and ecosystem integration.

The analysis will also examine the decisions of the Business Competition Supervisory Commission (ICC) as an important interpretive instrument in understanding the application of Law 5/1999 in cases that intersect with the digital economy. Comparative evaluation of competition law literature and best practices from other jurisdictions can be used to identify regulatory loopholes that make digital monopolistic practices difficult to bridge by provisions designed in the conventional economic era.

Through this normative juridical method, the research seeks to produce legal arguments that can answer crucial questions: whether the existing normative framework is adequate to prevent unfair dominance by digital platforms, or whether a reformulation of antitrust regulations is needed to remain effective and relevant in overseeing fair business competition in the era of the data economy

RESULTS AND DISCUSSION

1. Reconstructing the Understanding of Market Power in the Digital Platform Ecosystem

The development of the digital economy has created a new market structure that relies on the strength of the network and user data as a strategic resource for platform-based business actors. People's dependence on digital services such as e-commerce, online transportation, and social media strengthens the position of certain business actors as gatekeepers who control access to markets and information flows. The phenomenon of market power that is centered on one entity or a small group of platforms causes barriers to entry that are increasingly difficult for new business actors to penetrate. This inequality of market power increases the potential for the occurrence of covert monopoly practices which, although not always explicitly stated, are reflected in the dominance of the economically dominant market.[11] Such mastery is sometimes built through business strategies that take advantage of technological advantages, artificial intelligence, and data analytics that competitors do not have. As a result, the business contestation space has changed from an innovation-based competition to a competition based on the control of digital infrastructure and user ecosystems. The market structure has also shifted to a winner-takes-all pattern that erodes the balance of competition. This imbalance creates an obligation for business competition law to ensure that dominance does not turn into an abuse of market power.

The mastery of data in the platform ecosystem has direct implications for the ability of business actors to get rid of competitors by predicting consumer behavior more precisely. Data is a source of competitive advantage that can only be gathered through a very large user base, thus supporting the growth of monopoly power that is difficult for small business actors to match. When access to data is a key factor in business success, dominant business actors can lock in their consumers through algorithmic designs that create

[11] Kennedy, A. (2024). Analisis Hukum Persaingan Usaha Platform Marketplace Online Pada Era Ekonomi Digital. *Ethics and Law Journal: Business and Notary*, *2*(4).

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systemic dependence. Innovation opportunities from new business actors are hampered by the lack of access to these strategic resources. Platform business models also often use vertical integrations that strengthen control over the entire value chain, from market access to payments. This condition encourages the leveraging of market power from one digital sector to another, thereby expanding the risk of anti-competitive practices across ecosystems. The legal threat of business competition no longer only comes from unlawful agreements, but from digitally and algorithmically formed market structures.

The operating model of digital platforms often blurs the line between legitimate business behavior and the abuse of dominant positions in violation of the prohibition in Law No. 5 of 1999.[12] Abuse can come in the form of predatory prices that are deliberately kept low to eliminate competitors before being raised again after the market consolidates. These actions are often justified in the name of subsidizing innovation and early market penetration strategies, so that competition supervisors face challenges in proving elements of anti-competitive intent. Additionally, dominant platforms can inhibit competitors through discriminatory practices, such as lowering the visibility of competitors' products or granting privileged access to certain partners. As algorithmic mechanisms evolve, abuse strategies are no longer carried out explicitly, but rather through code and system design that are difficult for regulators to audit. This situation demands an expansion of the framework of antitrust law interpretation of implicit digital behavior.

The dominant power in the digital market is not only determined by market share, but also by the dependence of others on the platform as the main means of access to consumers. When competitors have no realistic alternative to compete without using a dominant platform, then the market position already leads to monopoly characteristics. The high dependency ratio shows that the failure of the platform will have a wide impact on the stability of the national digital economy. Law No. 5 of 1999 has actually established a prohibition for business actors who abuse their dominant position, but its formulation has not taken into account the nature of data-based markets and dynamic algorithms.[13] Therefore, the urgency of adjusting the market dominance assessment is getting stronger along with technological developments. Without adaptive law enforcement, these dominant forces have the potential to transform into absolute economic power untouched by healthy competition mechanisms.

In addition to threatening the market structure, digital dominance creates inequalities in access to business opportunities that lead to restrictions on consumer choices. Consumers stuck in walled gardens of large platforms no longer have rational freedom to switch applications, as all of their digital needs have been thoroughly integrated in one ecosystem. This phenomenon gives rise to the illusion of competition, where the market appears to be full of competitors, but is actually concentrated in a single data control center and infrastructure. The dependence on consumer behavior formed from recommendation algorithms reduces the space for other businesses to expand the market organically. Law No. 5 of 1999 needs to pay more attention to the protection of long-term market dynamics, not just assessing prices as an indicator of healthy

[12] Wibowo, K. T., & SH, M. (2025). *Aspek Hukum dalam Dunia Digital*. Sada Kurnia Pustaka.

[13] Kurniasari, T. W. K., & Rahman, A. (2022). Perlindungan Hukum Bagi Pelaku Usaha Umkm Terhadap Penyalahgunaan Posisi Dominan Platform Digital: Marketplace Melalui Penetapan Harga Dan Penguasaan Pasar. *REUSAM: Jurnal Ilmu Hukum*, *10*(2), 131-153.

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competition. When competition weakens, consumers end up bearing higher economic costs in the long run. Therefore, the protection of competition is an inherent public interest in the function of antitrust law.

Thus, the dominance of digital platforms must be understood as a unique legal economic phenomenon and cannot be treated the same as conventional monopolies. This understanding requires a supervisory approach based on multi-sided analysis of the structure of the digital market, where users can play the role of consumers as well as input providers for data development. Business competition law must be able to read economic control patterns through algorithms and databases that are not visible in traditional indicators. Efforts to maintain healthy competition are no longer only reactive to real violations, but preventive against potential deviations that are rapidly developing in digital transformation.[14] In other words, the challenge of antitrust law is not only in enforcement, but also in reconstructing the concept of dominance to remain responsive to digital reality. This condition affirms the need to strengthen the role of the Business Competition Supervisory Commission (ICC) in carrying out the supervisory function of the digital market in a more strategic and sustainable manner.

2. Analysis of Abuse of Dominant Position and Disguised Anti-Competitive Practices by Platforms

Self-preferencing is a practice when a digital platform that has a dominant position gives preferential treatment to its internal products or services in a digital ecosystem. This behavior is usually done through a recommendation algorithm that prioritizes products belonging to the platform, so that competitors lose visibility in front of consumers. Although business actors can argue that algorithms are designed for an optimal user experience, there are actually economic motives that aim to strengthen market dominance. This model increases switching costs for consumers and makes it very difficult for rival businesses to achieve a competitive market share. Self-preferencing has the potential to violate the prohibition of abuse of dominant positions regulated by Law No. 5 of 1999 because it unreasonably inhibits market access.[15] The effect of market foreclosure is also getting stronger along with the growth of data and algorithmic intelligence. From a fairness perspective, such one-sided preferences kill innovation-based competition. Therefore, algorithmic transparency is increasingly needed as part of fair digital market governance.

Forms of self-preferencing are not always explicitly visible, but rather hidden in the technical structure of the system that is not easily audited by regulators. Platforms can manipulate search positions, offer discriminatory commission rates, or prioritize access to consumers on the same app. The multi-sided market business structure gives the platform a strong incentive to vertically integrate internal services to gain stronger control over the ecosystem. This condition creates a conflict of interest, because the platform acts simultaneously as a market organizer and a direct competitor in the same market. Business competition norms demand a separation of roles so that business actors do not reap profits by controlling the competition arena. When this is the case, the legal implications become more significant because other business actors do not have an equal opportunity to compete. Therefore, the regulatory approach needs to be directed at the

[14] Setyawati, R., & Pradana, R. A. (2022). Penyalahgunaan Posisi Dominan Oleh Pelaku Usaha Dominan Melalui Penggunaan Algoritma Harga. *UIR Law Review*, *6*(2), 103-120.

[15] Srimufi, M., & Adriaman, M. (2025). Analisis Peran Komisi Pengawasan Persaingan Usaha Dalam Mencegah Persaingan Usaha Tidak Sehat (Studi Kasus Akuisisi Tokopedia Oleh Tiktok Shop). *Iuris Notitia: Jurnal Ilmu Hukum*, *3*(2), 36-44.

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supervision of forms of algorithmic discrimination. ICC is required to expand the proof technique on the technical-digital aspect which has been opaque.[16]

Self-preferencing strategies reinforce the risk of tied selling and bundling that forces consumers to use additional services they don't actually need. This relational coercion erodes market autonomy because consumer choices are directed through misleading interface design mechanisms. In the business competition literature, this condition is a form of exclusionary conduct that prevents other business actors from offering reasonable alternatives. Law No. 5 of 1999 contains a prohibition of agreements that result in unfair business competition, and the concept can be extended to the practice of self-preferencing.[17] When access to information is controlled by one business actor, information as an instrument of competition turns into an instrument of domination. This ultimately stops the innovation process that should be the driver of the dynamics of the digital economy. The market is losing competitive pressure, and economic power is concentrated on a single source that is almost impossible to match. This phenomenon shows that antitrust is not only a price issue, but also access and structural justice.

The dependence of other business actors on large platforms also shows that self-preferencing results in a comprehensive dependency lock-in effect. Small competitors are forced to operate under the control of dominant platforms that have the right to unilaterally determine the rules of the game. When platforms adjust algorithm parameters suddenly, other business actors often experience a decline in competitiveness without knowing the cause. This kind of legal and economic uncertainty is contrary to the principle of legal certainty in the regulation of business competition. The concentration of economic power in one entity also threatens the sustainability of local business actors who are still developing. This requires regulatory intervention that upholds the principle of equal access to consumers. Oversight must ensure that platforms do not exploit the power of their technology by damaging the market structure. Thus, competition law must be able to restore the balance of the digital ecosystem.

Self-preferencing also has an impact on the quality of information consumers receive, as algorithmic preferences do not reflect the best choices in the perspective of individual needs. Consumers are victims of information distortion which leads to welfare loss in the long term. The main principle of antitrust is to maintain economic efficiency and freedom of choice, so that any structure that restricts information is a threat to consumer rights. Law No. 5 of 1999 emphasizes that competition must provide maximum benefits for the public, including in terms of price, innovation, and service quality. If information is used to support market dominance, then the purpose of regulation is harmed. Therefore, consumers must be seen as parties who are also entitled to a healthy competition environment. The implementation of public policy needs to be directed to prevent the manipulation of preferences built through technological control. In other words, self-preferencing is not only a matter of business actors, but also a matter of socio-economic justice.

Solutions to this phenomenon require synergy between national law enforcement and policy harmonization with global trends. Many jurisdictions have implemented the Digital Markets Act, Platform Neutrality

[16] Tan, D., & Sudirman, L. (2024). Analisa Risiko Dan Potensi Regulasi Anti-Trust Untuk Sharing Platform Airbnb. *Jurnal Hukum to-ra: Hukum Untuk Mengatur dan Melindungi Masyarakat*, *10*(3), 544-561.

[17] Pane, A. R. (2022). *Substansi Perjanjian Tertutup Yang Dikualifikasikan Melanggar Hukum Persaingan Usaha (Studi Putusan Perkara Nomor 31/KPPU-I/2019)* (Doctoral dissertation, Universitas Islam Indonesia).

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Rules, and algorithmic transparency obligations to limit the abuse of digital dominance. Indonesia needs to move in the same direction by adjusting the supervisory instruments in Law No. 5 of 1999 to the character of the algorithm-based market. The reformulation of dominance assessment must involve new parameters such as data control, ecosystem strength, and technical access to digital infrastructure. This step will ensure that ICC has a strong foundation to crack down on business actors who use technology as a tool to inhibit competition. By expanding adaptive investigative and legal reasoning capacity, Indonesia's competition law can remain relevant to the challenges of the digital era. Self-preferencing should be treated as a serious threat to an inclusive and innovative market ecosystem. Efforts to reform regulations are an urgent need to maintain the sustainability of healthy competition.

3. Law Enforcement Challenges and the Urgency of Competition Regulation Reform in the Digital Cross-Border Era

Antitrust law enforcement faces increasingly complex technical and normative barriers in the digital market environment. The dynamics of technological change are not in line with the speed of regulatory adaptation that is still based on the conventional market model. The power of digital monopolies is not always seen in traditional indicators such as market share or price structures, but rather through the mastery of data and networks. Proving the abuse of a dominant position becomes difficult when exclusive strategies are carried out through a hidden automated system. The capacity of business competition supervisory institutions needs to be strengthened in order to be able to assess technical aspects such as algorithmic design and data ownership. Without an understanding of these technological mechanisms, antitrust law enforcement will lag far behind market developments. The gap between law and technology carries the risk of allowing digital anti-competitive practices to become more and more deeply entrenched. Therefore, reform of the law enforcement approach is a necessity to maintain the effectiveness of business competition regulations.

Obstacles also arise from the lack of transparency of digital business actors in providing technical information to regulators.[18] The black-box algorithm mechanism triggers knowledge asymmetry that makes it difficult to identify anti-competitive motives. Dominant business actors have the resources to obscure traces of abuse through hard-to-detect system code modifications. Law No. 5 of 1999 has not specifically regulated the technical obligations of algorithm reporting and access to platform operational data. This condition weakens the ability of supervisors to conduct objective and measurable evaluations. In order for supervision to run effectively, it is necessary to strengthen the authority in requesting technology audits and the obligation to disclose standards. Transparency will open up space for deeper analysis of potential competitive discrepancies. Thus, the principle of openness should be an important part of digital antitrust policy. ICC must be supported by legal instruments that are able to penetrate the technical layer legally and proportionately.

In addition, the challenges of antitrust law enforcement are inseparable from the economic and social impacts that accompany interventions on large digital platforms. Overly aggressive interventions can trigger market instability and disrupt public trust in the digital ecosystem. Therefore, regulators need a balance between the protection of competition and the sustainability of innovation. Economic analysis of possible short-term losses needs to be taken into account in any enforcement policy. Law No. 5 of 1999 must be

[18] Malau, P., Hutajulu, R., Rusyuandi, F., & Adiati, C. D. (2025). Hukum Sebagai Instrumen Pengendali Dan Pengarah Pembangunan Ekonomi di Era Digital. *Journal of Innovation Research and Knowledge*, *5*(1), 155-164.

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understood progressively to accommodate the long-term goals of consumer welfare. This approach demands interagency collaboration including personal data protection and digital security. Law enforcement decisions must prioritize the principles of proportionality and prudence so as not to harm the dynamics of the national digital industry. That way, the reformulation of antitrust policy will still maintain the stability of economic growth.

The cross-border nature of digital services creates jurisdictional challenges for competition supervision. Many global platforms operate in Indonesia without an adequate physical presence to be held directly accountable. The absence of strong jurisdiction makes it difficult for ICC to enforce decisions that have implications for foreign entities operating through virtual infrastructure. Therefore, policy harmonization with international standards needs to be strengthened through inter-agency cooperation at the global level. Uniform policy instruments will facilitate data exchange and cross-territorial investigations. Thus, Indonesia does not become a market that is vulnerable to digital dominance without effective legal controls. The antitrust legal approach must accommodate the global nature of the digital economy that has no geographical boundaries. This harmonization effort is a strategic step to strengthen national economic sovereignty in the digital era.

Digital competition law enforcement also requires an update of the analytical approach to the assessment of market structures. Traditional indicators such as price and market share are no longer adequate to describe the conditions of data-driven digital competition.[19] Therefore, new indicators such as data concentration index, platform dependency, and the strength of service integration are needed as a measure of dominance. Law No. 5 of 1999 must be able to reinterpret the elements of abuse of dominant positions through the perspective of data control.[20] This methodological update will expand the scope of analysis and improve the accuracy of the assessment of violations. Without this new framework, digital business actors will continue to have legal loopholes to maintain unlimited dominance. The reform will strengthen the position of national law in facing the challenges of digital competition. That way, the main goal of antitrust in the form of ensuring the sustainability of competition can be truly realized.

Thus, the urgency of reformulating business competition law is a crucial foundation to maintain economic justice in the digital era. Law enforcement should be directed not only at repressive measures after a breach occurs, but also at the prevention of market structures that grow in an anti-competitive manner. ICC needs to be given stronger authority in identifying, monitoring, and intervening in potential digital monopolies from an early stage. The establishment of supporting legal instruments such as special guidelines for digital market supervision is an important step to close the regulatory loophole. An adaptive competition approach will create a more inclusive and competitive business environment for domestic business actors. Ultimately, strengthening antitrust will ensure that the digital economy thrives in line with the principles of fairness and sustainability. The reformulation of business competition law is key to keeping the platform ecosystem healthy and not potentially damaging the national economic order.

[19] ALsheyab, M. S. A. (2025). Legal analysis of the merits of electronic transferable records: toward cross-border trade digitalization. *International Journal of Law and Management*, *67*(1), 145-163.

[20] Shao, D., Ishengoma, F., Nikiforova, A., & Swetu, M. (2025). Comparative analysis of data protection regulations in East African countries. *Digital Policy, Regulation and Governance*, *27*(4), 486-501.

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CONCLUSIONS

This study concludes that the dominance of digital platforms not only gives rise to new forms of monopoly that originate from data mastery, network effects, and ecosystem integration, but also poses serious risks to the sustainability of healthy business competition. The structure of the digital market that tends to lead to the concentration of economic power creates invisible barriers to entry for other business actors on a smaller scale. The inability of conventional antitrust legal instruments to identify indications of non-price *market power* is a fundamental problem that undermines the effectiveness of competition law enforcement. The abuse of dominant positions carried out through technical mechanisms such as self-preferencing and algorithmic discrimination shows that technological innovation can be abused as a means of market locking. This is further exacerbated by the low transparency of the algorithm which makes anti-competitive practices difficult to detect and prove legally. Law Number 5 of 1999 shows that there is a significant regulatory gap because it has not regulated supervision based on digital parameters explicitly and comprehensively. Limited jurisdiction in dealing with global business actors adds to the complexity of law enforcement and demands strengthening international cooperation. Strengthening ICC's investigative capacity on technological aspects is a crucial aspect to ensure market protection from destructive digital dominance. The reformulation of fundamental concepts such as market share definitions, dominance indicators, and supervisory instruments is an urgent need that cannot be delayed. Law enforcement must shift from a reactive to a preventive approach in order to prevent the formation of anti-competitive market structures from an early stage. Thus, the transformation of antitrust regulations is an important condition for maintaining a balance between technological innovation and economic justice in society. All of these efforts ultimately aim to ensure that the development of the digital economy remains in line with the principles of healthy, efficient, and fair business competition for all market participants.

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