

## **ABSTRACT**

Dispute is one of risk in business activity and an indispensable part of business survival itself. Thus, when people hold business transaction, such a risk must be taken into consideration, that is by choosing which an authorized forum to settle disputes arising from contract that they have entered into. To answer which forum is really authorized to settle the disputes in international business, the answer will depend on purpose of parties themselves, it is derived from choice of forum theory.

The research regarding of dispute of international business through arbitration was deliberately design to answer why foreign parties in doing business transaction with their partners in Indonesia chose arbitration and foreign or international arbitration to settle the business disputes , so that enforcement of foreign or international award in Indonesian territory was made as a subject matter of the thesis.

The results showed that from jurisdiction perspective the dispute resolution through arbitration would be more efficient, secured legal certainty in comparison to litigation. From dispute resolution point of view, the arbitration was confidential, private and

informal in nature so that it could ensure corporate image in public, established harmonious business relationship with their partners and more secure sense of justice among the conflicting parties ,the award is final and binding. In essence, the international award can be enforcement in Indonesia territory by satisfying some requariments in accordance with Act No.30/1999, by providing that to apply public policy to set aside an foreign/international award must be consider with very carefully

