

Legal Analysis Of The Role Of Law In The Economic Development Of The Community Of The Yapen Islands Regency

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Abstract

This research analyzes the role of law in supporting community economic development in Yapen Islands Regency from a Constitutional Law perspective. Economic development in resource-rich regions like Yapen Islands Regency requires a strong and progressive normative framework to achieve fair and equitable welfare, emphasizing the need for a robust framework aligned with Article 33 of the 1945 Constitution. Using a Normative Juridical method with a Statutory and Conceptual Approach, this research relies solely on library data analyzed descriptively and qualitatively. Findings indicate that law functions as a tool for social engineering, providing guidance and protection through local regulations. However, its effectiveness is hampered by various multidimensional constraints, including low bureaucratic capacity, weak institutional coordination, and ongoing geographical challenges. This conclusion highlights that realizing equitable development requires superior quality of law enforcement and the application of progressive law to bridge the gap between legal texts and socio-economic realities, ensuring that the law truly empowers the community.

Keywords: Constitutional Law, Progressive Law, Role of Law, Economic Development, Yapen Islands Regency.

INTRODUCTION

Economic development represents a vital foundation for achieving national welfare and social justice. In developing countries like Indonesia, economic growth is inseparable from the role of law as a normative framework that regulates, directs, and ensures fairness in national progress. Law provides institutional stability, predictability, and justice essential elements for a healthy economy (North, 1990; Sen, 1999). The correlation between law and economics reflects a reciprocal relationship: economic activities require legal certainty, while law evolves to respond to changing economic dynamics (Manan, 2013). Without legal norms, economic actors may exploit opportunities unjustly, leading to social imbalance and inequality. Thus, law functions as a tool of social engineering (Kusumaatmadja, 1986; Pound, 1910), shaping behaviors that support sustainable development and social order.

In a constitutional state, as mandated by Article 1(3) and Article 33 of the 1945 Constitution, economic development must align with the rule of law, human rights, and constitutional ethics (Asshiddiqie, 2010). The state carries the responsibility to manage resources for the greatest prosperity of the people, ensuring equity and environmental sustainability (UUD Pasal 33, 1945). Consequently, economic policy cannot merely pursue growth but must also guarantee distributive justice and the protection of citizens' rights (Stiglitz, 2000). At the regional level, including Yapen Islands Regency, the law plays a crucial role in harmonizing local governance and economic empowerment through decentralization frameworks (UU No. 23, 2014; UU No. 25, 2004). Legal instruments such as regional regulations (Perda) act as mechanisms to translate constitutional mandates into local economic realities (Sedarmayanti, 2019).

This study therefore examines the juridical role of law in supporting community-based economic development from a Constitutional Law perspective, focusing on how legal instruments guide, regulate, and empower economic transformation in Yapen Islands Regency. It aims to identify the extent to which constitutional principles, statutory regulations, and local governance interact to realize equitable and sustainable economic welfare. Based on the things that have been described above, the author will conduct research by taking the title "Legal Analysis of the Role of Law in the Economic Development of the Community of Yapen Islands Regency".

RESEARCH METHODS

This study applies a normative legal research method, as defined by Soekanto & Mamudji, (2015), which focuses on analyzing legal documents such as legislation, judicial decisions, and scholarly writings to understand how law functions in regulating social and economic relations. Following Marzuki (2017), this research adopts both the Statute Approach, which examines legal instruments including the 1945 Constitution, Law No. 23 of 2014, Law No. 25 of 2004, and local regulations in Yapen Islands Regency, and the Conceptual Approach, which explores legal doctrines and theories such as Roscoe Pound's law as a tool of social engineering and Rostow's stages of economic development (Rostow, 1960). The study uses secondary legal materials, comprising primary sources (laws and regulations), secondary sources (books, journals, and previous research Manan, 2013; Stiglitz, 2000; Todaro & Smith, 2020), and tertiary references (legal dictionaries). Data were collected through library research and analyzed qualitatively using legal reasoning and doctrinal interpretation to address the research questions. Conducted in Yapen Islands Regency, Papua Province, from April to June 2025, this research emphasizes the practical role of law in local economic policy. Its original contribution lies in integrating constitutional law perspectives with regional economic governance, providing a scholarly model for understanding law as a driver of equitable and sustainable development.

RESULT AND DISCUSSION

The Role of Law in Supporting the Economic Development of the Community of Yapen Islands Regency.

Yapen Islands Regency is an administrative region in Papua Province, Indonesia. The capital of this regency is located in Serui Kota Village, which is within the South Yapen District. This regency was previously called Yapen Waropen Regency, which was established based on Law Number 12 of 1969 concerning the Establishment of the Autonomous Province of West Irian and Autonomous Regencies in West Irian Province. The name change to Yapen Islands Regency was motivated by the formation of the Waropen Autonomous Regency as a result of division based on Law Number 26 of 2002. In addition to avoiding duplication of names, this change also reflects the geographical conditions of the region which consists of a group of islands. This new name was then formalized through Government Regulation Number 40 of 2008. Historically, this region was known as Jappengroep during the Nederlands-Nieuw-Guinea administration and changed to Onderafdeeling during the Nederlands (ch) Indie administration. As of the end of 2024, the population was recorded at 116,214 with a density of approximately 47 people per km². The administrative area of the Yapen Islands Regency includes 17 districts, 5 sub-districts, and 160 villages, with a land area of 2,432.49 km² and a sea area of 4,713.16 km². The regency borders Biak Numfor Regency to the north, Manokwari Regency to the west, and Waropen Regency to the east and south. This strategic geographic location, especially because it

is surrounded by sea and located on inter-island trade routes, provides significant maritime economic potential if optimally managed.

These geographical and historical conditions form an important backdrop for examining the socio-economic life of the community, which is closely linked to regional governance and resource utilization. Socially, the people of the Yapen Islands Regency live within a strong traditional community structure, with traditional ties and cultural values still preserved. Local tribes maintain a lifestyle that relies on nature and local wisdom. This is reflected in social practices such as mutual cooperation, collective sharing of produce, and environmental preservation through customary rules. This cultural potential serves as crucial social capital for development, particularly in the tourism sector based on local wisdom. For example, cultural attractions and natural resources such as the Bird of Paradise, particularly the King Bird of Paradise in Barawai Village, East Yapen, have high ecological and tourism value, while also serving as symbols of the local community's social identity. This cultural strength provides an important basis for integrating social and economic aspects in community-based development planning. In addition to driving the tourism sector, local cultural strength can also serve as an alternative approach to building a people-centered economic system rooted in the principles of social solidarity. By integrating customary norms into development policies, local governments can strengthen local legal legitimacy and accelerate the acceptance of development programs by the community.

Economically, the Yapen Islands Regency relies heavily on its natural resource potential, particularly the forestry sector. The exploitable forest area covers approximately 880,000 hectares, comprising production forests, limited production forests, and conservation-grade production forests. The primary products of this sector are logs and processed wood, which are marketed to various regions within the country and abroad, such as Kalimantan, Surabaya, Semarang, Jakarta, and even to Japan and Australia. In addition to timber, the forest also produces by-products such as rattan, resin, masohi bark, agarwood, and nipah palm. The forestry sector's role as a primary source of income reflects the community's dependence on the primary sector, which must be balanced with ecological sustainability and economic diversification. However, the high pressure on forest areas demands reforms in forestry governance policies based on the principles of prudence, transparency, and accountability. This requires strengthening the oversight function and the involvement of indigenous communities as guardians of forest areas, whose ecological wisdom has been passed down through generations.

In addition to the forestry sector, the plantation sector is also quite significant, particularly cocoa, which has been cultivated since the Dutch colonial era. Cocoa is a leading commodity prioritized as a source of income for local communities. This is followed by smallholder coconuts, which grow naturally in coastal and forest areas, although they have not yet been fully utilized in modern agricultural systems. Optimizing the potential of these plantations can strengthen local economic resilience and open up opportunities for downstream industrialization. In addition to strengthening production, synergy between farmers, cooperatives, and markets is needed through the establishment of an integrated, digital-based supply chain to ensure plantation products are competitive at the regional and national levels.

The socio-economic context of Yapen Islands Regency demonstrates that the region's development is inextricably linked to its rich natural and cultural resources. The integration of the economic potential of the forestry, plantation, and fisheries sectors, along with local socio-cultural values, provides a strategic foundation for sustainable and inclusive development. By wisely utilizing social capital and natural resources, Yapen Islands Regency has a significant opportunity to grow as a highly competitive region with a strong character anchored in local wisdom. However, this potential requires strong and consistent legal support, as well as public policies that integrate economic, social, and environmental aspects in a balanced and equitable manner.

As a concrete manifestation of this synergy, macroeconomic data also demonstrates the significant role of key sectors in the GRDP. Based on BPS data, the structure of the GRDP of Yapen Islands Regency in 2024 is still dominated by three main sectors: Agriculture, Forestry, and Fisheries at 24.90%; Wholesale and Retail Trade; Car and Motorcycle Repair at 15.50%; and Government Administration, Defense, and Mandatory Social Security at 12.84%. The relationship between this data and the socio-economic structure indicates that the direction of development must consider the strength of the primary sector while encouraging the growth of the tertiary sector, which is increasingly demonstrating its importance. This data shows that although the primary sector remains dominant, tertiary sectors such as financial services, government, and information have experienced significant acceleration in the past five years.

Examining van Loon, (1950) view on the function of law, it is clear that law not only plays a role in maintaining social order, but also serves as a dynamic instrument capable of adapting to the needs of society. Its function of bringing order, resolving disputes, maintaining order, and even changing regulations to meet the demands of justice and legal certainty is essentially a relevant foundation for every development process, including economic development. In other words, law is not merely a tool for controlling society, but also an instrument of social transformation that enables the realization of a more modern, just, and sustainable economic condition.

Regional economic development is an integral part of the national strategy for realizing public welfare, as stipulated in the Preamble to the 1945 Constitution of the Republic of Indonesia. In its implementation, economic development cannot stand alone without a strong legal foundation. Law exists not only as a norm regulating social relations, but also as a development instrument that ensures order, certainty, justice, and protection of the rights and interests of all components of society. In the context of the Yapen Islands Regency, which has archipelagic geographical characteristics, rich natural resources, and a unique socio-cultural structure, law plays a crucial role as both a driver and a guide for local economic development. In this context, law also functions as a bridge between development policies and the social realities of society. This means that every step of economic development must be based on legal norms that are not only formally legal but also sociologically legitimate. Without public recognition of applicable laws, development will not receive the necessary collective support. Legal legitimacy plays a crucial role from a sociological perspective, as it helps maintain social order and stability. Society relies on legal institutions and leaders to provide a sense of order and security, and legitimacy plays a crucial component in this system. Legitimacy is closely linked to social norms, as acceptance of authority is often based on shared values and beliefs within a given community. In this way, legitimacy can be seen as a reflection of a social contract between individuals and the state, where both parties agree to adhere to certain rules and norms.

This is in line with the mandate of Article 33 of the 1945 Constitution of the Republic of Indonesia, which expressly states that: “The economy is structured as a joint effort based on the principle of family” (paragraph 1), “Production branches that are important for the state and that affect the livelihood of many people are controlled by the state” (paragraph 2), and “The land and water and the natural resources contained therein are controlled by the state and used for the greatest prosperity of the people.” (paragraph 3), and “The national economy is organized based on economic democracy with the principles of togetherness, efficiency with justice, sustainability, environmental awareness, independence, and by maintaining the balance of progress and unity of the national economy.” (paragraph 4). These provisions show that economic development cannot be separated from the function of law as a safeguard, guide, and protector for the prosperity of the people, especially in areas rich in resources such as the Yapen Islands Regency. Therefore, it is mandatory to establish Regional Regulations (Perda) that regulate forest product management, coastal area zoning, or agricultural product trade

regulations, not only to provide legitimacy to these economic activities, but also to function as an instrument to protect local business actors from unfair market exploitation.

The legal basis for regional authority in managing these leading sectors can be seen in Article 12 paragraph (3) of Law No. 23 of 2014, which states: “Elective government affairs include maritime affairs and fisheries, tourism, agriculture, forestry, energy and mineral resources, trade, industry, and transmigration.” This provision shows that these sectors are indeed the legitimate domain of regional governments to be regulated and developed through regional legal policies, including in the form of Regional Regulations, development strategies, and economic empowerment programs. This is also strengthened in Article 2 paragraph (1) of Law No. 25 of 2004 concerning the National Development Planning System, which states that: “National development is carried out based on democracy with the principles of togetherness, justice, sustainability, environmental awareness, and independence by maintaining a balance between progress and national unity.” This means that all economic development processes, including at the regional level, must be guided by these principles and outlined in formal legal documents such as the RPJMD, RKPD, and sectoral Regional Regulations. With this legal basis, regional governments have the legitimate space to innovate in economic development policies as long as they remain within the corridor of national law.

Economic development is also determined by the quality of law enforcement. Many regulations are sound on paper, but fail in implementation due to weak oversight, overlapping authority, or even corruption and inefficient bureaucratic practices. Therefore, the rule of law must be upheld not only for the people, but also for public officials and large businesses, which have tended to exist in a legal gray area. In the Yapen context, strengthening the law in sectors such as mining permits, coastal spatial planning, forest product distribution, and land use for investment must be a priority in promoting sustainable and equitable economic development. Therefore, strengthening oversight institutions such as regional inspectorates, district attorneys, and public complaints institutions must be part of a law-based economic development strategy. With active and transparent oversight, economic policies will not only be effective but also have integrity.

Based on 2024 GRDP data for Yapen Islands Regency, sectors such as agriculture, forestry, and fisheries remain the backbone of the local economy. These sectors are closely linked to the law, particularly in terms of land ownership, resource utilization permits, environmental conservation, and protection for small farmers and fishermen. Therefore, economic development policies in these sectors must not ignore the legal dimension. Regulations governing product distribution, minimum selling prices, cooperative management, and tax incentives for local businesses need to be formulated within a legal framework that is pro-active and accommodating. Furthermore, it is crucial to establish a legal protection system against monopolistic practices, middlemen, and commodity mafias, which often harm small businesses. Regional economic law must ensure a fair and transparent market for all players.

CONCLUSION

The role of law as an instrument for regional economic development cannot be viewed merely as an administrative complement, but must be interpreted as a substantive element of the development strategy itself. Law serves not only to regulate but also to empower, protect, and encourage inclusive economic transformation. Within this framework, the economic development of the Yapen Islands Regency community must be designed and implemented based on the principles of constitutional law, constitutional supremacy, and meaningful public participation. Thus, the ideals of just, equitable, and sustainable economic development can be realized concretely, not only in statistical indicators but also in the daily lives of the community.

Emphasis on the principle of public participation is a key element, because only through the active involvement of citizens in the legal and development processes can social justice truly be achieved. Therefore, the synergy between law, local government, and society must be continuously strengthened as a primary capital towards economic transformation based on constitutional values.

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