

## **Economic Law in Sustainable Development: Impact on Community Welfare in Indonesia**

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### **Abstract**

*Sustainable development has become the main focus for many countries, including Indonesia, in efforts to achieve sustainable socio-economic prosperity. Economic law, as a legal framework that regulates the economic aspects of society, plays a very important role in directing economic development towards sustainability. This article aims to explore the role of economic law in the context of sustainable development in Indonesia and to analyze the real impact of sustainable development on the socio-economic sector and examine how economic law can be a tool to improve the welfare of society in this country. This research uses a normative legal approach using library materials (secondary materials) or library legal research. The research results show that economic law plays a role as a regulator of behavior in economic activities, bridging economic growth with environmental preservation, and protecting intellectual property rights. At the national level, environmental regulations and the protection of natural resources are the focus, while at the international level, economic law supports fair and sustainable international trade. This role has an impact on the welfare of society in Indonesia which includes improving the quality of life, fair access to technology and knowledge, decent work, eradicating inequality and economic sustainability.*

**Keywords:** *Economic law, sustainable development, community welfare.*

### **1. INTRODUCTION**

The notion of economic law pertains to the legal framework governing economic activities, distinct from the economic decisions that emerge within the realm of economic science (Lowenfeld, 2003). The terms "economic law" initially convey a similar connotation. The field of economic law is evolving in response to the accelerated expansion and advancement of economic activities throughout various global regions (Faundez, 2020). The primary objective of economic law is to establish regulations and restrictions on economic activities, ensuring that the execution of such activities and subsequent economic progress remain acceptable and uphold the rights and interests of the broader community (Zwartkruis & de Jong, 2020).

In contemporary times, the concept of economic law has been widely recognized and accepted in the Indonesian context, devoid of any contentious or unfamiliar connotations. In contrast, economic law has gained significant recognition and widespread acceptance within the nation's legal framework. The presence of economic legislation in Indonesia has become indisputable (Butt & Lindsey, 2006). The current situation represents a notable departure from the initial period in which the implementation of economic legislation in Indonesia engendered diverse discussions within the framework of the

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preexisting legal structure (Saputra & Emovwodo, 2022).

Currently, economic law has been effectively integrated into the legal framework of Indonesia. The significance of economic law in Indonesia is also evident in the principle of the rule of law, as highlighted in Article 1 Paragraph (3) of the 1945 Constitution of the Republic of Indonesia (Pinilih, 2018). Indonesia, as a nation governed by the rule of law, embraces law as an ideological framework that serves as the foundation for establishing societal order, security, justice, and prosperity for its whole populace. Hence, the 1945 Constitution of the Republic of Indonesia unequivocally ensures the establishment of the domain of economic law. The constitution of this nation specifically acknowledges the significant significance of economic law in governing several economic facets inside society (Dimiyati et al., 2021).

A tangible expression of this acknowledgment can be observed in Article 33, paragraph (4) of the 1945 Constitution of the Republic of Indonesia. This provision stipulates that the national economy must be governed in accordance with the principles of economic democracy, encompassing various tenets such as solidarity, equitable efficiency, sustainability, environmental awareness, self-reliance, and equilibrium preservation. The advancement and consolidation of national economic integration. Hence, economic law holds significant prominence within the legal framework of Indonesia, serving as a fundamental element in the pursuit of the state's objective to establish a fair and prosperous society (Listiyani & Said, 2018; Moonti, 2019).

Article 33 of the 1945 Constitution Paragraph (4) mandates that economic development must be sustainable and environmentally friendly, which is usually known as sustainable development. Sustainable development has become a central issue in global economic and social development (Richardson, 2012). Indonesia, as one of the most populous countries in the world and one of the largest economies in Southeast Asia, is in a unique and important position to encourage sustainable growth and improve the welfare of its people (Shultz & Pecotich, 1997). However, in efforts to achieve sustainable development goals, the role of economic law is often neglected or given little attention (Saiz & Donald, 2018). Therefore, this research has significant relevance because it will discuss the role of economic law in the context of sustainable development in Indonesia.

Indonesia has experienced rapid economic growth in recent decades, but challenges such as economic inequality, environmental degradation and social problems still lie ahead. Sustainable development carries a vision of sustainable growth from an economic, social and environmental perspective (Grover, 2013). Therefore, understanding how economic law can be an effective tool in achieving sustainable development goals and improving socio-economic welfare is very important. This research will fill the knowledge gap in this context and provide a deeper understanding of the role of economic law in supporting sustainable development in Indonesia.

Through this research, we seek to illustrate how economic law is the legal basis that regulates economic activities, influences sustainable development policies, and creates challenges in its implementation in Indonesia. We will also reveal the real impact of sustainable development efforts on the socio-economic sector, as well as analyze how economic law can be used as a tool to improve socio-economic welfare in this country. Thus, this article will provide deeper insight into how better coordination between economic law, government policy, and sustainable development can be the key to sustainable economic growth and increased social welfare in Indonesia.

## 2. LITERATURE REVIEW

### 1. Economic Law

The significance of law is paramount in various facets of human existence. In addition to

this, it is imperative that the efficacy of legislation be quantifiable in order to avoid stifling human ingenuity, which serves as the primary catalyst for economic progress (Sunstein, 1996). Kealey and Nelson (1996) claim that economic law constitutes a subset of the broader set of norms established by governing bodies or rulers, serving as a manifestation of the collective will of the community. Its primary function is to regulate the economic interests of the community members, who interact with one another. According to Hartono (1998), economic law in Indonesia encompasses the entirety of legal regulations and judicial decisions that are especially designed to govern economic activities and operations. Posner (2014) posits that economic law encompasses a collection of regulations that govern multiple aspects pertaining to the endeavor of effectively managing economic resources with the ultimate goal of enhancing societal welfare.

The domain of economic law encompasses both private law and public law, hence necessitating a dual approach to comprehension and analysis. This entails adopting both macro and micro perspectives (Lepsius, 2014). The macro approach method employs several scientific disciplines as analytical tools to examine legal issues, including economic challenges, policies within the economic domain, and legal policies pertaining to the economic sector. The macro-level method is frequently employed to analyze matters pertaining to public or consumer protection or security (Becker, 1993). The micro approach method is employed to analyze legal matters in accordance with the specific objective. Economic law can be understood as an offshoot of commercial law, which in turn falls within the purview of civil law. Civil law governs various aspects within the realm of business, as highlighted by Kanda and Milhaupt (2003).

As a continuation of the study of commercial law and civil law, economic law is a new study in the field of law in general (Utama, 2012). In economic law there are the following characteristics:

- a) The state plays a role as a regulator in regulating various economic sectors
- b) If there is no intervention from the state in economic activities, economic actors tend to behave arbitrarily. Prosperity and distribution of development results will not be created fairly and evenly for society.
- c) Regulating the economy by providing certain restrictions to the strong and providing opportunities to the weak to achieve justice.

Economic law in Indonesia is divided into two types, namely development economic law and social economic law, including explanations (Kindleberger, 2012).

- a) Development Economic Law includes legal regulations and ideas regarding ways to improve and develop economic life nationally. Which consists of Land; Forms of Business; Capital investment; Credit and foreign aid; Domestic banking credit; Patents, Trademarks, and Transfer of know how; Insurance; Export Import; Mining; Labor; Housing area; Transportation; International Agreement.
- b) Social Economic Law concerns legal thinking regarding ways to share the results of national economic development fairly and equally in terms of the human dignity (HAM) of Indonesian people. Which consists of Medicines; Health and Family; Housing area; Natural disasters; Transmigration; Agriculture; Forms of Public Housing; Assistance and education for small entrepreneurs; Labor; Education; Disabled sufferers; Displaced people; Old people and retirees.

Economic Law encompasses the elucidation of development economic law and social economic law, comprising two distinct dimensions:

- aspects of regulating economic development efforts, in the sense of improving overall economic life and

- aspects of regulating efforts to share the results of economic development evenly among all levels of society, so that every Indonesian citizen can enjoy the results of economic development in accordance with their contribution to the economic development effort. (Sunaryati Hartono)
- A series of regulatory instruments that regulate economic activities carried out by economic actors
- This is a new study that originates from the concept of Commercial Law studies
- The Embryo of Economic Law is the study of Commercial Law and developments in parts of Civil Law
- Economic Law is not only studied from Civil Law but must be studied from many aspects so it requires a different approach method from the study of Commercial Law / Civil Law in general. Sunaryati Hartono stated that Indonesian economic law can be divided into:

## 2. Sustainable development

Sustainable development refers to a developmental approach aimed at optimizing the utilization of available natural resources, as highlighted by Cheng et al. (2020). Sustainable development refers to a form of development that effectively addresses the requirements of the present generation while safeguarding the well-being and security of future generations, without compromising their own needs (Hajian & Kashani, 2021). This implies that the process of economic development consistently relies on the utilization of natural resources, so ensuring the continuity of ongoing development for future generations. The legislative foundation for the concept of sustainable development is established in Law 32 of 2009. The aforementioned legislation supersedes Law 23 of 1997, which likewise addresses the topic of Environmental Management (Kahpi, 2013).

In Indonesia, the execution of sustainable development is governed by Presidential Regulation of the Republic of Indonesia Number 111 of 2022. This regulation outlines the objectives of sustainable development, which are aimed at achieving sustainable development goals:

- 1) maintain continuous improvement in the economic welfare of the community;
- 2) maintaining the sustainability of community social life;
- 3) maintaining environmental quality and inclusive development; And
- 4) implementation of governance that is able to maintain the improvement in the quality of life from one generation to the next.

Sustainable development has the potential to enhance the overall well-being and quality of life. The concept of welfare is considered to be an integral component of sustainable development, as highlighted by Duran et al. (2015). In addition to the aforementioned notion, there exist other concepts that are being advocated for, including the implementation of initiatives aimed at augmenting the quantity of renewable natural resources, as well as safeguarding and enhancing the overall quality of human existence, both presently and in the future. The subsequent notion entails optimizing the utilization of natural resources in order to minimize wastage and mitigate environmental harm. According to Beckerman (2017), the ultimate notion effectively governs the utilization of natural resources and holds potential for future applications.

The concept of sustainable development encompasses the use of concepts that promote equilibrium and longevity in the process of development. The allocation of development benefits should prioritize the environmental, social, and economic domains. According to Mensah (2019), the underlying objective of all development endeavors is to promote social welfare and justice within the community. Development activities must also be able to improve the quality of the environment and economy of society and the country in a

sustainable and responsible manner. Natural resources used in development activities must be able to be recovered sustainably after being utilized (Meadowcroft, 2013). Environmental protection in sustainable development covers local, regional and global areas. The environment must be managed with local wisdom. Those who support environmental sustainability must be supported with incentives, while taxes are imposed on users of natural resources.

The concept of sustainable development takes into account four main values, namely lagging behind the energy transition, ecosystem damage, the threat of extreme climate change, and food shortages. Sustainable development emphasizes economic value as well as the value of ecological and social environmental preservation in the future ( Segger, 2009). The concept of sustainable development instills value in society in the form of developing productivity and better meeting needs. The values of sustainable development began to be established in the 1970s as environmental problems increased. Several country representatives began holding meetings to discuss environmental damage. These meetings are increasing as people become very aware of the importance of the environment (Herrmann, 2004).

### **3. METHOD**

The research in question is normative legal research, which means looking at legal materials in libraries or secondary data. This type of research is also known as doctrinal research, and law is usually thought of as what is written in statutes (law in books) or as rules or norms that tell people how they should behave (Efendi & Ibrahim, 2018). Marzuki (2021) says that normative legal study is the process of finding legal rules, legal principles, and legal doctrines that can help people with their legal problems. This study used secondary library sources or library legal research, which is usually used for studying legal principles, legal systems, legal synchronization, legal history, and comparative law.

Primary legal materials, such as legal materials made up of statutory rules, are used as data sources in this study. Laws like Law of the Republic of Indonesia Number 32 of 2009 about protecting and managing the environment, Law Number 24 of 2019 about the creative economy, Law Number 5 of 1990 about protecting living natural resources, Law Number 29 of 2014 about copyright, and more are included in these materials. The second type of legal materials are those that aren't directly related to study problems. These include books, legal journals, legal cases, jurisprudence, and the outcomes of recent symposiums. Also, all the data (both main and secondary data) will be processed and analyzed in a qualitative way. Qualitative research goes beyond the different steps of scientific critical thinking. Inductive research involves finding facts or phenomena through observations in the field, analyzing them, and then trying to come up with a theory based on these observations.

### **4. RESULTS AND DISCUSSION**

#### **1. The Role of Economic Law in Encouraging Sustainable Development**

The success of sustainable development is not solely due to the support of adequate legal instruments. However, if sustainable development fails, legal instruments will also be highlighted as the cause of the failure. Apart from that, sustainable development which has been going on for more than twenty years still faces various obstacles. even obstacles, which can thwart the success of economic development. Moreover, this is faced with a time when the national economic development process will increasingly face more severe obstacles, even obstacles that will not be easy to overcome.

When talking about development based on a state of law or the supremacy of law, law is

the most important thing because it sets the direction of development goals and aims. It means that the law will help shape future development in a way that makes society fair and wealthy, which is the very point of development. There is law in the middle, which acts as a guide for making decisions through different policies that push growth forward (Listyarini, 2008).

Law Concerning Environmental Protection and Management No. 32 of 2009 shows that the Indonesian government is serious about putting environmentally-friendly economic laws into place to help the country's economy grow faster. The living environment is all the things, forces, conditions, and living things in space, including people and how they act. These all have an effect on nature, the continuation of life, and the well-being of people and other living things. This knowledge shows that Indonesia has a lot of natural resources. The only thing left to do is figure out how to turn these resources into a source of income so that the country's economy can grow faster and build wealth (Rangkuti, 2020).

So far, environmental management has tended to focus on utilizing the environment as an object of economic development. This approach, which emphasizes economic growth without considering the environmental consequences, has caused many negative impacts on ecosystems and natural resources. The government and private sector are often seen as prioritizing economic interests over environmental conservation interests. This happens because the drive to achieve rapid and maximum economic growth has trumped considerations of ecological balance and environmental sustainability (Sood, 2021).

In this context, economic law becomes very important. Economic law is a tool that can regulate behavior and interactions between government, the private sector and society in the context of economic activity. Thus, economic law has the potential to shift orientation from simply maximizing economic profits towards a more balanced approach, which also considers environmental conservation. Economic law can help in designing and implementing policies that combine economic growth with environmental protection, thereby creating sustainable development.

The importance of economic law in this case is to overcome the imbalance that has long existed between economic and environmental aspects. Economic law can provide a strong legal basis for supervising, regulating and controlling economic activities to comply with the principles of sustainable development. With effective economic laws in place, governments and the private sector can play a more proactive role in environmental conservation, while still achieving their economic goals. Thus, economic law is important in bringing about a paradigm shift from environmental use that only benefits the economy to development that is sustainable and balanced between the economy and the environment.

The role of economic law in sustainable development is very important. Law is the main foundation for creating a healthy and sustainable investment climate in a country. The following are some of the important roles of economic law in sustainable development in Indonesia:

a) Environmental Regulation

Article 1 paragraph 3 of Law Number 32 of 2009 concerning sustainable development is an important definition in the context of development in Indonesia. This definition describes the vision and goals of development which not only involve economic aspects, but also environmental and social aspects. In this sense, sustainable development is a conscious and planned effort to integrate these three important dimensions into national development strategies.

The first aspect is the environmental aspect. It emphasizes the importance of protecting and maintaining a clean and healthy natural environment as a legacy for future generations. Through this understanding, it is hoped that development will not damage

natural ecosystems, reduce pollution, and promote the sustainable use of natural resources. The second aspect is the social aspect, which emphasizes the safety, capabilities, welfare and quality of life of the community. This underlines the importance of improving the standard of living and welfare of the people, as well as providing fair and equal opportunities for all levels of society. The third aspect is the economic aspect, which includes sustainable economic development to achieve independence and balanced economic growth. This includes the development of sustainable economic sectors, such as a green and innovation-oriented economy.

With this definition, Law Number 32 of 2009 confirms Indonesia's commitment to implementing a holistic approach to development, which takes into account economic, environmental and social impacts and benefits simultaneously. This is a strong legal basis for ensuring that companies and individuals are responsible for the environmental impact of their economic activities, while ensuring sustainability and prosperity for current and future generations.

b) Developing the creative economy

The primary objective of Law Number 24 of 2019 is to enhance the utilization of human resources' creativity by leveraging cultural heritage, science, and/or technology. The methodical, controlled, and sustainable management of the Creative Economy is vital. The establishment of a Creative Economy Ecosystem aims to enhance the value of Creative Economy products by ensuring their competitiveness, accessibility, and legal protection. According to Article 33, paragraph (4) of the 1945 Constitution of the Republic of Indonesia, the national economy is structured on the basis of economic democracy, incorporating principles such as collective participation, equitable efficiency, sustainability, environmental awareness, self-reliance, and the maintenance of a harmonious balance between progress and national economic cohesion.

This law has a strategic role in facilitating the growth of the creative economy sector. First of all, law can provide incentives and protection for individuals and companies in terms of intellectual property rights, such as patents, copyrights and trademarks. This provides incentives for innovators and creatives to produce new products and services, which in turn can generate economic growth. Furthermore, laws can be used to regulate environmentally friendly business practices in the creative economy sector. This includes regulations related to materials used in production, waste disposal and sustainable design practices. By integrating environmental aspects in law, the creative economy sector can contribute positively to environmental preservation.

Economic law can also play a role in providing support to local communities involved in the creative economy. This can include arrangements that promote community economic empowerment, protection of workers' rights, and access to broader markets. In terms of education and training, economic law can support programs that develop skills and knowledge in the creative economy sector. This helps create a skilled and knowledgeable workforce in these creative industries. Lastly, the government can use economic laws to promote the creative economy through tax incentives, infrastructure improvements, and market support. By playing an active role in developing the creative economy sector, economic law can become a strong tool in encouraging sustainable economic growth while paying attention to environmental and social aspects, which are the main pillars of the concept of sustainable development.

c) Natural Resources Protection

Economic law has a significant role in regulating the use of limited natural resources, such as forests, water and minerals, and Law Number 5 of 1990 concerning Conservation of Living Natural Resources and their Ecosystems (UU KSDA) in Indonesia is one example of regulation which reflects efforts to achieve sustainable management of natural resources. One aspect that can be linked to the KSDA Law is limiting excessive

exploitation. The KSDA Law regulates concrete steps to protect and preserve biological natural resources that are vulnerable to extinction, such as tropical rainforests, wildlife and rare plants. Through regulations in this law, the government can limit exploitation activities that can harm biological natural resources, such as uncontrolled hunting or forest encroachment that damages the ecosystem.

Maintenance of conservation areas is also an important part of the KSDA Law. This law regulates the establishment of national parks, wildlife parks and other conservation areas as an effort to protect the natural environment and important ecosystems. Thus, the KSDA Law provides a legal basis for maintaining conservation areas as critical natural resources and living places for various types of rare flora and fauna. Apart from that, the KSDA Law also contains provisions relating to permits that can be traded. For example, in the context of conservation, this law regulates permits for catching, breeding or trading in wild animals and rare plants. These permits are issued with certain conditions aimed at controlling and monitoring activities related to biological natural resources.

Thus, Law Number 5 of 1990 concerning Conservation of Biological Natural Resources and Ecosystems in Indonesia provides an important legal framework for regulating the use of limited natural resources in a sustainable manner. Economic law in this context plays a role in maintaining a balance between economic needs with environmental preservation and the preservation of natural resources which are crucial for present and future generations.

#### d) Fair International Trade

International economic law plays a crucial role in promoting fair and sustainable international trade. One concrete example of this effort is through international trade agreements which aim to include environmental and social standards as part of the global trade regulatory framework. Institutions such as the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) have an important role in paying attention to environmental aspects in international trade.

GATT, which preceded the founding of the WTO, has created various agreements that regulate international trade and has promoted the principles of fair trade. In this context, regional and multilateral trade agreements such as GATT have included provisions that limit environmentally detrimental trade practices, such as subsidies that stimulate overexploitation of natural resources. Furthermore, with the establishment of the WTO in 1995, attention to environmental aspects in international trade was increasingly increased. The WTO has adopted the Trade and Environment Policy Agreement which aims to integrate environmental considerations in trade policy. Within this framework, the WTO recognizes the right of countries to take action to protect the environment, provided that such action is not used as a hidden tool of protectionism.

The importance of environmental aspects in international trade is also reflected in various bilateral and regional trade agreements that include environmental provisions. For example, the North American Free Trade Agreement (North American Agreement on Environmental Cooperation) has a mechanism for dealing with environmental issues that arise as a result of trade between the United States, Canada and Mexico. Thus, international economic law, through the framework of global trade agreements such as GATT and WTO, has actively promoted fair and sustainable international trade by taking environmental aspects into account. This reflects global awareness of the importance of maintaining a balance between economic growth and environmental preservation in order to realize sustainable development that benefits all countries in the world.

#### e) Intellectual Property Rights

Ensuring fair and sustainable access to technology and knowledge is one of the important pillars of sustainable development. In this context, Law Number 29 of 2014 concerning Copyright in Indonesia is an example of a regulation that reflects efforts to achieve a



balance between the rights of copyright holders and the interests of the public in accessing information and knowledge. The Copyright Law is a legal instrument that regulates the rights and obligations of copyright holders as well as limitations that allow public access to copyright protected works. One important aspect related to sustainable development is regulations related to fair use of copyright protected works. This means that in some situations, copyrighted works can be used without the permission of the copyright holder for educational, research, critical, or news purposes without violating the law.

The law also includes provisions that allow access to these works by people who have limited access to knowledge, such as people with disabilities. This includes provisions that facilitate the production of alternative works, such as books in braille or audio format, to meet the needs of these groups. In addition, the Law on Copyright also regulates various aspects related to digitalization and the internet. This includes provisions that protect the rights of copyright holders in the digital world, while also ensuring that the internet remains a powerful tool for the dissemination of knowledge and open access to information. Law Number 29 of 2014 concerning Copyright in Indonesia reflects a commitment to ensuring that copyright not only protects the rights of its holders but also allows fair and sustainable access to knowledge, technology and intellectual works. This is an important part of sustainable development, which takes into account economic, social and environmental aspects within the legal framework.

## 2. The impact of economic law in sustainable development on community welfare

The role of economic law which includes regulations that focus on sustainable development and community welfare has a significant positive impact on community welfare. By ensuring environmental protection, fair and sustainable access to technology and knowledge, and sustainable economic development, economic law creates a framework that allows people to enjoy a healthier environment, decent work, quality products and services, and better access to basic services such as education and health. More than that, economic laws that pay attention to social and environmental aspects also contribute to alleviating poverty, improving the quality of life, and eradicating inequality.

In this research, the impact of economic law in sustainable development on community welfare includes:

### a) Improved Quality of Life

Economic laws that pay attention to environmental and social aspects have a very important role in maintaining a cleaner and healthier environment, which in turn has a positive impact on people's quality of life. When economic laws regulate business and industrial practices to be mindful of environmental impacts, this helps limit pollution, ecosystem damage, and other negative impacts that often arise from uncontrolled economic activity.

With regulations mandating the use of more environmentally friendly technology, more efficient waste management, and the protection of important natural habitats, economic law helps maintain the sustainability of ecosystems. This means a natural environment that is well maintained, with cleaner air, healthier water and unpolluted land.

This positive impact directly improves people's quality of life. People who live in clean and healthy environments experience fewer pollution-related health problems, such as respiratory illnesses, and have better access to important natural resources, such as clean water and safe food. Apart from that, a sustainable environment also plays a role in supporting livelihoods, tourism and other economic life which has an impact on the welfare of society as a whole.

### b) Fair Access to Technology and Knowledge

Economic laws governing intellectual property rights have a crucial role in ensuring fair

and sustainable access to technology and knowledge. This not only creates protection for creators and innovators, but also provides opportunities for the wider community to access and utilize relevant knowledge and technology. Thus, this law opens the door to improving education, innovation, and society's ability to compete in the global economy.

Copyrights, patents, and trademarks are examples of intellectual property rights governed by economic law. By recognizing these rights, the law provides incentives for individuals and companies to create, develop, and share their knowledge and technology. However, the law also ensures that access to this knowledge is not unduly restricted. This is necessary so that knowledge and technology can be studied, applied and used by society in various fields such as education, business and research.

As a result, economic laws that focus on intellectual property rights help improve education by enabling access to diverse educational resources, such as books, scientific journals, and digital learning materials. It also stimulates innovation by rewarding inventors and creators, thereby encouraging the development of new technologies. Society's ability to compete in the global economy is also increasing due to access to relevant technology and knowledge .

#### c) Decent Work

Creating a legal environment that supports sustainable economic growth is an important aspect in achieving increased social welfare. Economic laws that focus on wise regulation and balanced economic incentives create a solid foundation for investment, innovation and business development. In this context, decent employment is a very significant impact. When companies feel confident in stability and legal certainty, they tend to invest more resources in developing their business, which means creating greater job opportunities for society.

This increase in employment not only creates a greater source of income for individuals and families, but also improves overall economic well-being. Decent work offers better wages, social benefits, and career growth opportunities, which in turn improve people's living standards and quality of life. This creates a positive chain effect, with increasing people's purchasing power, consumption, and demand for goods and services, ultimately driving sustainable economic growth.

#### d) Eradication of Inequality .

With an approach that pays attention to justice and equality, the law aims to ensure that the benefits of economic development are not only enjoyed by a few privileged groups, but also reach all levels of society, especially those who are vulnerable. These regulations may include policies that support more equitable access to economic resources, basic services, and economic opportunities. In this context, inclusive economic laws can encourage policies such as protecting workers' rights, decent minimum wages, and easier access to credit and business training for the less fortunate. This helps increase people's access to decent jobs and business opportunities, which in turn reduces income disparities and creates economic stability.

In addition, inclusive economic laws can also overcome social inequality by ensuring that all citizens have equal access to education, health and other public facilities. This helps create greater opportunities for children from disadvantaged families to receive quality education and access necessary health care. In this way, inclusive economic laws play a role in building a more just and equitable society, where economic opportunities and access to resources and services are not limited to a few groups. This, ultimately, has an impact on improving overall social and economic well-being, as well as creating a stronger foundation for sustainable development.

#### e) Economic Sustainability

Considering environmental aspects in economic law is a key step in achieving sustainable

economic development. Within this legal framework, ongoing economic development aims to safeguard natural resources which are important for long-term prosperity. Economic laws that limit overexploitation, regulate land use, and promote environmentally friendly productive practices help protect precious natural assets.

Natural resources such as clean water, fertile land, forests and biodiversity are important foundations for the economy and societal well-being. In this context, economic laws that consider environmental aspects aim to ensure that the use of these resources does not exceed renewable limits and does not damage the ecosystem that supports life. These sustainable principles ensure that these resources can be passed on to future generations, maintaining long-term environmental and economic resilience.

In addition, economic laws that focus on sustainability also encourage innovation in technology and business practices that are more environmentally friendly. This means creating new economic opportunities in sectors such as renewable energy, energy efficiency and better waste management. This not only contributes to environmental conservation, but also creates new jobs and economic growth in sectors that take environmental aspects into account. So, economic laws that take into account environmental aspects are not only about protecting nature, but also about building a strong foundation for sustainable economic growth, which ultimately improves people's welfare and ensures that our natural wealth can be enjoyed by future generations.

## **5. CONCLUSION**

In encouraging sustainable development, the role of economic law is very important in regulating and directing economic activities towards a balance between economic growth, environmental preservation and social welfare. Economic law provides a strong legal basis for integrating environmental aspects in economic policy, ensuring strict environmental regulations, and maintaining the sustainability of natural resources. In addition, economic law supports the development of the creative economy sector by protecting intellectual property rights and promoting sustainable growth. At the international level, economic law supports fair and sustainable international trade, by including environmental standards in global trade agreements. All of this reflects a commitment to combining economic, environmental and social aspects in an effort to achieve sustainable development that benefits current and future generations.

The impact of economic law in sustainable development on community welfare is very positive and significant. In some ways, wise economic laws and a focus on environmental, social, and economic aspects create a healthier environment, fairer access to knowledge and technology, decent employment, poverty alleviation, and reduced inequality. Apart from that, economic laws that pay attention to environmental aspects also play a role in maintaining long-term economic sustainability by protecting natural resources which are important for the welfare of society. Thus, the implementation of economic laws that focus on sustainable development is a very important step in achieving the goals of social welfare and environmental preservation. Governments, the private sector and civil society need to work together to ensure that effective and relevant economic laws are implemented and implemented well to support sustainable development that benefits all parties. In addition, it is important to continuously monitor and evaluate the impact of economic law in the context of sustainable development to ensure that positive changes continue to occur and new challenges can be addressed effectively.

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