

Political Policy Related to Alleviation of Underdeveloped Regions Through Tourism Investment (A Study in Pacitan Regency)

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Abstract

Indonesia has plentiful potential ecotourism in numerous areas which has not been explored yet by the Authorities such as the Ministry of Tourism. Each region has the authority to regulate its own territory by making policies based on the Law on Regional Government. The Regional Government of Pacitan Regency has established three Regional Regulations that are relevant to investment development efforts in the tourism sector. Each Regional Regulation certainly has a political goal to be achieved. This legal research was conducted to analyze the form of legal politics related to investment development in the tourism industry based on the policies of the Regional Government of Pacitan Regency that have been implemented. This type of legal research used empirical juridical analysis of qualitative data obtained through field studies and literature studies to find out the implementation of regional regulations related to tourism in Pacitan Regency. The conclusion of this research is that the Regional Government of Pacitan Regency opens the widest possible investment development efforts in the field of tourism through the establishment of Regional Regulation policies.

Keywords: investment; political policy; tourism; underdeveloped region.

Abstrak

Indonesia memiliki banyak potensi wisata alam di berbagai daerah yang belum terjamah oleh pihak berwenang seperti kementerian pariwisata. Setiap daerah diberi kewenangan untuk mengatur wilayahnya sendiri dengan membuat kebijakan yang berdasarkan pada Undang-Undang tentang Pemerintahan Daerah. Pemerintah Daerah Kabupaten Pacitan membentuk tiga Peraturan Daerah yang memiliki relevansi dengan usaha pengembangan investasi di bidang pariwisata. Masing-masing Peraturan Daerah tentunya memiliki tujuan politik yang hendak dicapai. Penelitian hukum ini dilakukan dengan tujuan untuk menganalisis wujud politik hukum terkait pengembangan investasi di bidang industri pariwisata berdasarkan pada kebijakan Pemerintah Daerah Kabupaten Pacitan yang telah di implementasikan. Jenis penelitian hukum ini menggunakan yuridis empiris dengan analisis data kualitatif yang di dapat melalui studi lapangan dan studi pustaka untuk mengetahui pelaksanaan penerapan peraturan daerah terkait dengan kepariwisataan di Kabupaten Pacitan. Kesimpulan hasil penelitian ini adalah Pemerintah Daerah Kabupaten Pacitan membuka seluas-luasnya usaha pengembangan investasi di bidang pariwisata melalui pembentukan kebijakan yang berbentuk Peraturan Daerah.

Kata Kunci: kebijakan politik; daerah tertinggal; investasi; pariwisata.

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Introduction

After the monetary crisis in mid-1998, when examined at the level of the existing economy in Indonesia, it has not shown its development because it still faces various complicated challenges. However, in recent years there has been an improvement marked by the stable exchange rate of the rupiah which had dropped against the US dollar. This

challenge requires a lot of attention, hard work, and also thought in the form of policies at all levels of government and the business community. These conditions require the central government to encourage local governments through regional autonomy to continue increasing the flow of investment and foreign exchange flows for the country by increasing oil and gas and non-oil exports.

Indonesia based on Article 33 Paragraph (3) of the 1945 Constitution can expressly adhere to popular economic understanding when it is related to investment issues for national economic development. The economic development of a country especially in Indonesia at this time cannot be separated from foreign and domestic investment which is one of the essential factors. Investments originating from foreign and domestic investors in the 2014 governance period until now are a priority factor for the country's development. This is expected to be able to drive the economic of Indonesia. The state is demanded to be able to regulate the policy in such a way that investment activities can provide positive effects, especially on the people.

Investment activities can also be referred to investing or entering funds in a company in a project that aims to obtain profits from these business activities, then legal entities can issue securities in which there are claim rights with proof of deposit and can be in the form of bonds and securities (shares) in civil law. Infrastructure is one form of supports for the progress of each stage of the investment process whose existence is required to be provided in the form of buildings, transportation, irrigation, drainage, and other public facilities that are based on meeting basic human needs in the economic and social sphere (Marwan, 2009).

Improved facilities and infrastructure can certainly support the entry of investment in various fields. The government in its effort to create welfare for the people has carried out various kinds of development policy efforts in all fields. These efforts to accelerate the pace of regional development through regional autonomy policies established by the government are ultimately aimed at creating community welfare. One of the expectations of implementing regional autonomy policy is to be used to support the acceleration of regional economic growth through the creation of a conducive business climate. Various types of service related to public services with the implementation of regional autonomy are now easier because each region is given certain authority to issue permits for an activity.

Development in underdeveloped regions can be based on the people's economy in line with the national economy in order to alleviate poverty, especially in rural areas. Priority aspects for each District Government or Municipality include poverty alleviation to improve the people's economy, improve the quality of human resources in intellectual quality, and infrastructure that is continually being built. For example, one area in the coastal region of Riau Province with imbalance development is Meranti District, a new autonomy based on Law Number 2 of 2009. Whereas guidance for the community could be done through the utilization of several fields of assets; one of which was in the tourism sector by increasing the active role of the community empowerment so that changes in

the structure of development are comprehensive and participatory (Syahza and Suarman, 2013). The effectiveness of the investment opportunity simplification becomes very important as one of the promotional media to gain access or superior regional potential marketing networks. By implementing this strategy, it is able to open up as many investment opportunities as possible to strengthen the economic foundations in the regions.

Referring to the issuance of Law Number 9 of 2015 concerning the second amendment to Law Number 23 of 2014 on Regional Government, both provincial and district or city governments have authority in the field of investment as compulsory affairs of regional governments both district or city governments. Then it is explicitly stated that the regional government is required to improve the services provided to the community to be more effective and efficient in the form of policy making. The policy making aims to improve services so that the direction of economic development becomes more conducive when compared to prior reform, which all arrangements are completely centralized.

The implementation of regulations related to regional autonomy has influenced the mechanism and pattern of regional development implementation to be better. This can be seen from the initial stages of planning and formulation until the end of implementation accompanied by monitoring of program policies that are tailored to the potential of the community. With the birth of Law Number 25 of 2007 on Investment, it has shown a paradigm shift from centralistic pattern to decentralization related to the implementation of investment in Indonesia.

Referring to the implementation of the Regional Regulation in Pacitan Regency No. 5 of 2014 on the Implementation of Tourism, it aims to promote and improve community welfare by developing tourist destinations available in Pacitan through investment with third parties. As an example of cooperation activities in the management and development of tourism to attract more visitors is describe in details as contained in Article 52 relating to the head of the region that is Pacitan Regent to collaborate with various parties from within the country such as the government which is several levels above to the private party as a third party. Then it is regulated for international cooperation that it can be done with the obligation to get approval from the Pacitan District Parliament. So that the development and management include the construction of infrastructure and facilities in addition to using the Regional Government Budget (APBD), local governments involve both domestic and foreign private companies in order to accelerate the management and development of tourism.

In Indonesia, a large number of regions utilize the potential of tourism which is spread from Sabang to Merauke as their main source of income. The increase in tourism is an evidence of the development of tourism objects for almost five years. The remarkable development of infrastructure undertaken by the Regional Government cannot be separated from the role of stakeholders who indeed have a big hand in establishing tourism in several areas in Indonesia that have grown into a list of tourist destinations for foreign and local tourists (Devy, 2017).

Geographically, Pacitan Regency is located on the border of East Java and Central Java, which is famous for its tourist cities because of its amazing natural beauty. In the west there is Wonogiri Regency and in the east there are Ponorogo Regency and Trenggalek Regency which border directly with Pacitan Regency. The increasingly rapid growth of development in Pacitan Regency has certainly led to various positive and negative impacts. The positive development of facilities and infrastructure related to infrastructure will certainly open up opportunities for investors to make investment to activities that are potential to boost the economy such as tourism. While the negative impact such as social problems and damage to the potentials of local governments might be occur if not followed by the establishment of appropriate policies.

Actualization of the potential of natural tourism, especially in underdeveloped areas in certain region is needed to bring equality at the economic level within the same region. Therefore, proposing the actualization of tourism potential activities are required to improve other deficiencies that can affect the development of tourism objects such as lack of supporting infrastructure, promotion activities that are less extensive, and cooperation between the Regional Government and various relevant parties (Cholik, 2017).

Referring to the understanding related to the authority expressed by some experts, if understood further, it can lead to power that has nothing to do with the law. Furthermore, according to the idea of Henc van Maarseven who said that power that has no legal relationship can be called a blote match. Then Max Weber revealed that other matters relating to power with legal relations are called national legal authorities in the sense that referring to the legal system in authority can be understood as rules which in recognition are followed and obeyed by the people in a country because of reinforcement (Anggraini, Yasir, and Ridlwan, 2016).

Matters relating to investment are reaffirmed by the issuance of Regulation of the Minister of Home Affairs Number 24 of 2006 on the Guidelines for One Stop Integrated Service Arrangement which regulates guidelines on the implementation of permits related to investment in each process starting from the first stage, that is the application until the stage of issuance an activity or business document. This is more broadly intended to improve the quality of public services and provide targeted access to any activities that will be carried out specifically related to tourism management and development.

The formulation of problematic regional regulations can be caused by not fulfilling juridical, philosophical, and sociological aspects. Juridical aspects in local regulations describe the regulations that were formed to overcome legal problems in the community. Philosophical aspects describe the regulations formed by the consideration of public legal awareness. Sociological aspects describe the laws applicable in the society. Often, the formation of regional regulations ignores these three aspects because they are not adjusted to the characteristics and potential of the region. So, the implementation of local regulations that have been formed cannot run as it should due to overlapping with other policies.

The running of power is always associated with the presence of a ruler along with the number of organs below it so that the concept of a state is formed on a set of several positions. The country conceptualized by the set of positions contains several officials who support certain rights and obligations based on a construction of subjects with obligations. Therefore, power has two aspects, namely legal aspects and political aspects, but specifically for authority, it only has legal aspects. So it can be interpreted that the source of power comes from the constitution and from outside the constitution (unconstitutional). For example in the case of coup d'état or war, then cases related to the authority, it is clearly originated from the constitution.

In 2010, Pacitan Regency together with six other districts in East Java Province, namely Trenggalek, Madiun, Bondowoso, Situbondo, Sampang, and Pamekasan are categorized as underdeveloped areas. Furthermore, with the Presidential Regulation of the Republic of Indonesia Number 131 Year 2015 on the Determination of Underdeveloped Region in East Java Province, there are only 4 districts across this province, including Bangkalan, Situbondo, Sampang, and Bondowoso. The determination is not without a reason, but the four districts in East Java are declared having poor development compared to other regions. So, it can be seen that only within a period of 5 years, Pacitan Regency can alleviate its regions from the category of underdeveloped regions of course through the policies established by the Regional Government.

These policies are interesting to be raised as a topic of research until finally Pacitan Regency can be economically equivalent to other regions in the same region. Every policy that is formed has a legal aspect that is relevant to the problem that will be resolved by the legislative body. So that through the authority, Pacitan Regency Government can utilize it to form legal products in the form of regional regulations that can be implemented in accordance with the characteristics of the region. The more important aspect of conducting this legal research is that it can encourage other regions to exploit their potentials that through the establishment of policies for the sake of increasing the economic level by referring to Pacitan Regency which has achieved the objectives through the political policies contained in its local regulations.

Research Problems

Some of these fundamental problems have attracted the researchers to set it as the main focus of this study. Specifically, regarding to legal politics, which was the establishment of a number of policies related to tourism investment in Pacitan Regency so that it can eliminate the determination as underdeveloped areas by the President of the Republic of Indonesia. Based on the description in the background above, the formulation of the problem to be examined in this research is how is the form of legal politics related to investment development in the tourism industry based on the policies implemented by the Regional Government of Pacitan Regency.

Research Method

This legal research used empirical juridical legal research method, that was the procedure used to solve research problems by researching secondary data first and then proceeding with conducting research on primary data in the field. The ability to identify legal problems, make legal reasonings, analyze the problems and provide solutions to those problems are needed (Marzuki, 2015). This research was conducted in Pacitan Regency. The reason the authors carried out this research in Pacitan Regency was because they saw that the growth rate of investment in tourism such as management and development in the form of construction of supporting facilities and infrastructure were intensively carried out by the Regional Government of Pacitan Regency.

The primary legal material used in this research was the legislation related to the politics of legal policies to be established by the Regional Government in increasing the investment in tourism. This study used observational data obtained from direct interview with the first source who was directly involved in all the processes of policy making namely Mr. Sumarun, SH, MH with the position of Sub-Legislation Department at the Secretariat of the Regional Representatives Council (DPRD) Pacitan Regency and Mr. Cipta Suprayitna, S. Sos as the of Head of Tourism Development and Industry under the Youth and Sports Tourism Office of Pacitan Regency. Then the secondary material was all legal publications.

The technique of investigating the legal materials used field studies or commonly refers to observation which was data collection techniques by interviewing interviewees or respondents through a question and answer process. Furthermore, the literature study which wa a legal material in the form of laws and regulations was carried out by means of an inventory of laws and regulations and grouped according to the hierarchy of laws and regulations.

In this connection, the legal issue faced was the existence of problems regarding the development of the tourism industry in terms of cooperation in management and investment development activities based on policies established by the Regional Government of Pacitan Regency. So, the discussion of this problem is very important to be identified in depth as it is useful to understand the politics of law and what impacts might arise from the policy.

Discussion

Local Government policy through the establishment of regional regulations and other supporting regulations that are hierarchically below it can be a determinant of the direction and objectives of the development of a region. Inequality at economic level of a region with other regions within the same region can be caused by the regulations that are not in accordance with its potential. Factors that are the main causes of regulatory discrepancies are related to the availability of natural potential and artificial factors that can support each other. Regions can be said to be relatively underdeveloped if they are not

able to develop as they should with various problems that have an impact on the community's economy, productive age education, as well as social, and health of the community who choose to live in the area.

The political policies contained in the Law that have relevance to tourism imply that the government has not optimal when formulating regulations. So what happens is that there is a lot of ambiguity, tends to be oriented to a political approach, and among the governmental levels that have relevant authorities are not objective in drafting the regulations. This is related to the development of tourism so that it cannot bring up the importance of the substance that must be achieved (Nasution, Venzora, and Sunarminto, 2018).

This makes the demands on the Regional Government of Pacitan Regency to be able to determine and improve the tourism sector that has high competitiveness to become a potential that can be seeded to increase local revenue through the establishment of investment policies in the tourism industry. The Regional Government of Pacitan Regency through the Department of Youth Tourism and Sports of Pacitan Regency based on Law Number 9 of 2015 concerning the second amendment to Law Number 23 of 2014 on Regional Government has the right to exercise the desired authorities.

Sumardji gives a concept related to authority which is a legal force (*rechtsmacht*), which can have another meaning in the concept of public law, that is authority has a relationship with power. So it can be interpreted that authority is a concept in public law. Yudhi Setiawan and Boedi Djatmiko stated that authority or competition was interpreted as the right to act or the power to make decisions, with the aim of delegating orders in the form of responsibilities given to others. So the power of authority to achieve something can also be interpreted as authority. More specifically related to authority is part of administrative law or governance law because the government will be able to run in accordance with the functions and objectives if it has delegated authority (Santoso 2012).

The interest in achieving these goals can be a compulsory and optional matter for the Regional Government in managing their region by adjusting the aspirations arising from the community and the interests of the people. Regional Governments in regulating and managing their regions that synergize with the community are certainly should not conflict with the national legal order and public interests so that they can both work well together.

Challenges that can hinder investment can be explored using legal politics in the drafting before implementing based on the economic democracy. Determining the direction of economic policy is a sovereignty called as the economic democracy based on people. The validity of economic democracy in a country can be used as a reference if it functions well through the alignment of the people's economic system. In Indonesia, it is contained in article 33 of the 1945 Constitution of the Republic of Indonesia stating that it is related to economic democracy. The efforts that can be achieved in the national legal system must be built based on the values contained in Pancasila (Setiawati, Mardjo, and Mahita Paksi 2019).

The policies stipulated by the Regional Government, basically in its establishment process is still taking into account the local wisdom, condition of the community, and the uniqueness of the region in order to create a balance for the sake of the State in accordance with the objectives of this Law. The provisions contained in the Law on Regional Government providing regulations relating to policies that can be determined by the Regional Government are contained in the third section concerning concurrent government affairs in articles 11 and 12.

These articles explain in detail about the functions which are the authority of the Regional Government, specifically for government affairs which are obliged to take care of basic services and functions that are not related to basic services, each contained in paragraphs 2 and 3. Furthermore, arrangements related to tourism are contained in one of the eight authorities which are the choices of the Regional Government in article 12 paragraph 3.

When viewed from several perspectives, these elements can be a support in organizing tourism businesses. The natural potential contained in Pacitan Regency is very likely to be developed into a prospective new industry to compete with tourist objects in other regions on national or international scale. The natural potentials that can be developed and managed are quite diverse because each has its own characteristics with special values and characteristics compared to the others. Among many attractions that can be used as industrial potential for Pacitan Regency, some that can be relied on for the tourism industry are Teleng Ria Beach, Srau Beach, and the one that is now gaining popularity is Klayar Beach.

Various types of natural attractions spread from Sabang to Merauke are the main source of income for regions in Indonesia. Increasing the number of tourist visit is a tangible sign for the development of tourist attraction over a period of five years. The striking development of infrastructure by each Regional Government cannot be separated from the role of stakeholders who certainly have a big hand in making natural tourism in several regions in Indonesia as the main attractions for foreign and domestic tourists (Devy 2017).

The potential of the tourist attractions in Pacitan Regency include Natural Tourism, Cultural Tourism, and Artificial or Man-Made Tourism, each of which is detailed as follows (Primary Data, Department of Youth Tourism and Sports in Pacitan Regency, 2020):

Natural tourism:

1. Teleng Ria Beach in Pacitan District
2. Klayar Beach in Donorojo District
3. Gong Cave in Punung District
4. Tabuhan Cave in Punung District
5. Ngibroboyo River Water Tourism in Donorojo District
6. Sono Lake in Tulakan District

Culture tourism:

1. Buwono Keling Museum in Punung District

2. Ceprotan Ceremony in Donorojo District
3. Kethek Ogleng Dance in Nawangan District
4. Rung Sarong Dance in Pringkuku District
5. Wayang Beber in Donorojo District

Man-made Tourism:

1. "Tirto Husada" Warm Baths in Arjosari District
2. Monument of the Great Commander General Soedirman in Nawangan District
3. Tumpak Rinjing Monument in Pringkuku District
4. SBY Residence in Pacitan District
5. Pancerdoor Geopark in Pacitan District
6. Souvenir of Precious Stone or Agate in Donorojo District
7. Batik Pacitan in Ngadirojo District
8. Pottery Crafts in Kebonagung District
9. Tiwul Rice in Kalakan

The large tourism potential in an area does not guarantee that it can support the community's economy because it is not fully taken its advantage by the regional government. If the Regional Government can utilize the existing potential, tourism can become the most important sector in development sustainability in an area as has been done by the Regional Government of Pacitan Regency. Development in the tourism sector in Pacitan Regency is carried out by establishing policies that synergize with the available potential and continue to empower the surrounding community through the enactment of Pacitan District Regulation No. 5 of 2014 amendment of the Pacitan Regency Regulation No. 7 of 2013 on the Implementation of Tourism. The policies implemented through the Regional Regulations in Pacitan Regency, if examined in each article, lead to the management and development of available tourism objects by opening investment cooperation as widely as possible with the private sector and still paying attention to the environment.

The exercise of authority based on the principles of regional autonomy is a new dimension which in the future is expected to be used by the Pacitan Regency Government to address future problems so that the Regional Government knows better what kind of regulations are suitable for the implementation in tourism activities. This certainly encourage Pacitan Regency Government to produce quality and feasible legal products to be implemented by empowering the surrounding community in every aspect of tourism administration. So that in the transfer of authority of the implementation of the tasks of the Regional Government of Pacitan Regency to the Office of Youth Tourism and Sports Pacitan Regency can run optimally.

As an effort by the Regional Government of Pacitan Regency to advance community welfare and the implementation of the government to strengthen regional autonomy that is broad, real and responsible, potential development and roles are carried out in order to realize development, empowerment, and also economic development in order to improve services to the community, the independence of a region , equity, justice, and

community participation by taking into account the existing potential. As a form of support from the Regional Government in providing legal certainty for tourism business activities in Pacitan Regency, a new Regional Regulation has also been made in accordance with article 9 of Law Number 10 Year 2009 on Tourism, which is Pacitan District Regulation Number 12 of 2016 on Master Plan of Tourism Development in Pacitan Regency 2016-2025.

The authority possessed by the parliament to form laws and regulations as is the case in legal politics is *Hinder Ordonantie* (HO) which is only oriented to prohibitions without permits not being followed in making activities. The initiator of the activity must have a permit obtained from the consent of the community around the place where the activity takes place. These problems often occur and serve as obstacles for the initiator of activities. The absence of a clear structure by the Regency or City Local Government makes it *Hinder Ordonantie* (HO) only used for procedures only (Sutrisno 2011).

As a whole, through the two Regional Regulations which are used as regulations regarding tourism development and management, it can be used as a benchmark of success in the policy making in Pacitan Regency. However, related to investment, it has become one of the things that is prioritized to improve the economy. Policies implemented in improving the economy in Pacitan Regency are supported by the Regional Regulation of Pacitan Regency Number 7 of 2012 on Intensive Provision and Provision of Investment Ease.

The potential of the existing tourism industry in Pacitan Regency has not really been utilized as a whole because there are still many other hidden tourist sites and their whereabouts are unknown. There are even several tourist attractions that are managed independently by the local community with the budget sourced from Bumdes (Village-Owned Enterprises). So it can be said that some existing tourist attractions have not been optimally managed and developed in an integrated manner with other tourist destinations.

Figure 1. Total Amount of The Budget in 2018 from Department of Youth and Sports Tourism in Pacitan Regency (In IDR as Currency)



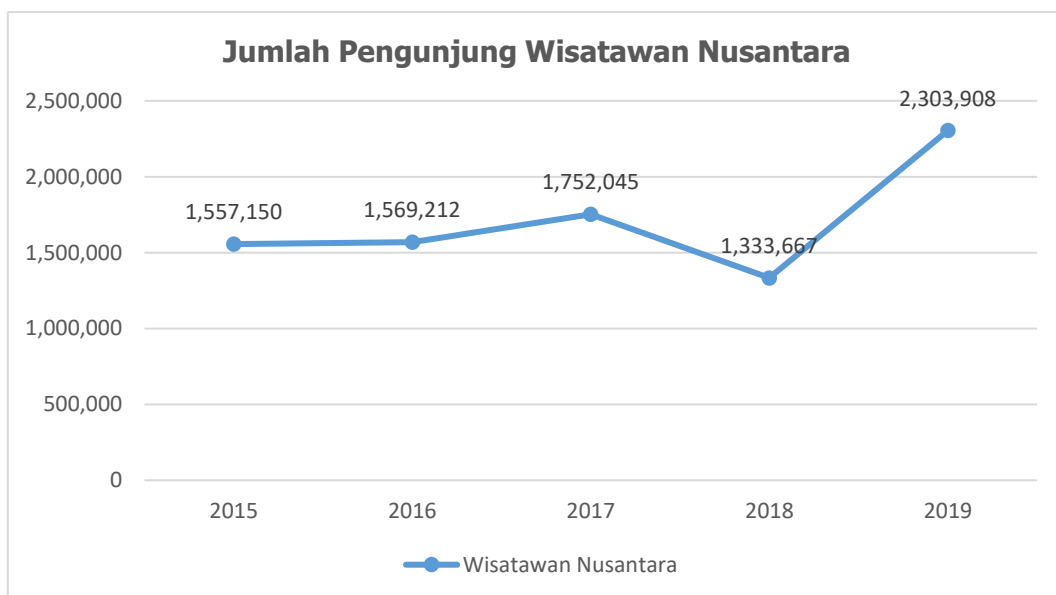
Source: Primary Data, Department of Youth Tourism and Sports in Pacitan Regency, 2020.

Based on figure 1, it shows the total amount of the budget used in 2018 by the Department of Youth and Sports Tourism in Pacitan Regency to manage and develop several tourist objects in Pacitan Regency. The amount of the budget approved by the Regent of Pacitan Regency in the 2018 fiscal year is Rp15,753,345,000. While the total budget that has been realized by the Department of Youth and Sports Tourism in Pacitan Regency is as much as Rp. 15,230,101,186. So that the remainder of the budget is Rp523,243,814. Thus the total percentage of the realized budget value is 96.67%.

In terms of revenue, according to a statement from Mr. Cipta Suprayitna, S. Sos who served as the Head of Department of Tourism Industry and Development of Destination in the Youth and Sports Tourism Office of Pacitan Regency, based on attractions managed by the Regional Government it has been able to contribute substantial regional income . This is according to the latest data in 2019 Regional Original Revenue from the tourism sector in Pacitan Regency reached Rp13.059 Billion which succeeded in exceeding the target of only Rp12.5 Billion, when viewed as a percentage was 107 percent.

Furthermore, the target of Regional Original Revenue to be achieved by the Pacitan Regency Government through the tourism sector by 2020 is Rp16.6 billion with 2.65 million visits. The strategy undertaken by the Department of Youth and Sports Tourism in Pacitan Regency, such as collaborating with a number of parties, for instance by presenting travel agents throughout Java and Bali. So with such a breakthrough, it is hoped that the tourists can visit several attractions or at least staying for two days and one night. In addition, the average tourist visits is dominated by Central Java and Yogyakarta by 70 percent and the remaining 30 percent came from East Java and Abroad.

Figure 2. Number of Domestic Tourist Visiting Tourist Objects

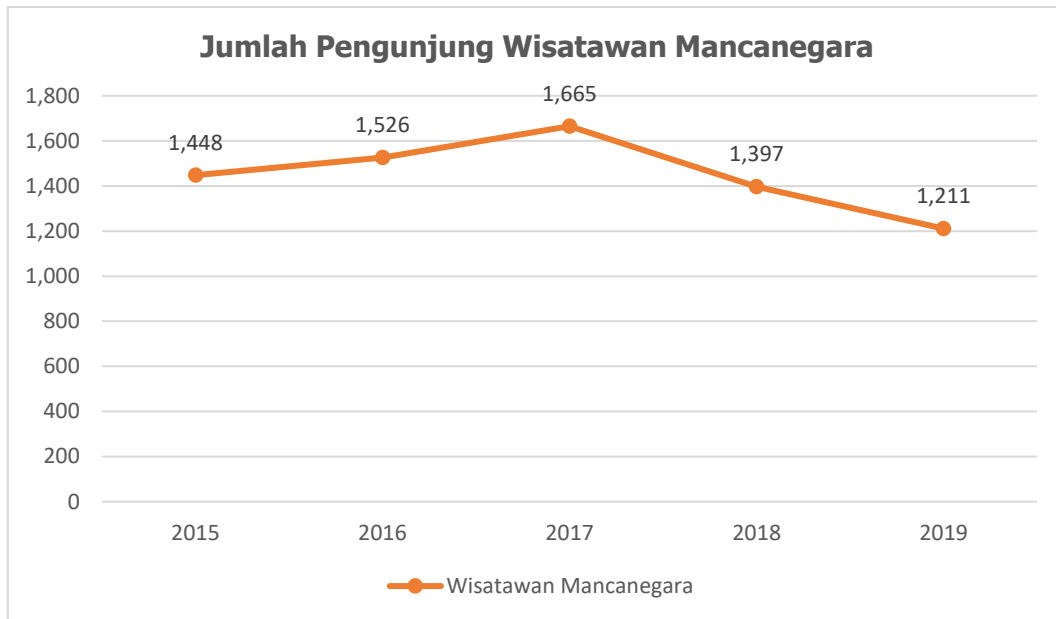


Source: Primary Data, Department of Youth Tourism and Sports in Pacitan Regency, 2020.

Figure 2 illustrates the large number of domestic tourist visiting several tourist objects managed by the Department of Youth and Sports Tourism in Pacitan Regency. In

this chart, it is known that the number of domestic tourists is indicated with a blue line over the past five years. In 2015 the number of domestic visitors was as many as 1,557,150 people. In 2016 the number of domestic visitors was 1,569,150 people. In 2017 the number of domestic visitors was as many as 1,752,045 people. In 2018 the number of domestic visitors was as many as 1,333,667 people. In 2019 the number of domestic visitors was 2,303,908 people. So, it can be concluded that the number of visitors from year to year continues to increase and slightly decline in 2018.

Figure 3. Large Number of Foreign Guests Visiting Tourist Attractions



Source: Primary Data, Department of Youth Tourism and Sports in Pacitan Regency, 2020.

Figure 3 illustrates the large number of guests visiting several tourist attractions managed by the Department of Youth and Sports Tourism in Pacitan Regency. In the chart, it is known that the number of foreign tourists is indicated with orange lines in the past five years. In 2015 the number of foreign tourist was 1,448 people. In 2016 there was 1,526 foreign visitors. In 2017 there was 1,665 foreign visitors. In 2018 the number of foreign tourist was 1,397 people. In 2019 there was 1,211 foreign visitors. So, it can be concluded that the number of foreign tourists from year to year did not significantly increase, only a few thousand of people.

The development of tourist attraction through Local Government policies is absolutely essential to be carried out with adequate facilities and infrastructure and coaching in synergy with stakeholders is essential for the development of tourism potential in Pacitan Regency. So as to make the tourism industry in Pacitan Regency have a high attraction, especially in the East Java region to the National and International level. So far, the potential of tourism objects is developed by the Regional Government of Pacitan Regency through the Tourism Development Program which scope of activities is to increase and rehabilitate the existing tourism objects, to improve facilities and infrastructure to tourist sites, to manage tourism objects by collaborating with travel and

hospitality agencies, managerial arrangement of hospitality, and restaurants and promotional activities.

The current economic development of a region cannot be separated from investment which is one of the essential factors. The influence of the value of investment originating from abroad and from within the country to date is a priority factor for the development of several regions. This is expected to be able to increase the economic of Indonesia on a larger scale. Each region is required to be able to regulate the policy in such a way that investment activities can have a positive impact, especially to the local community.

The local government of Pacitan Regency with Regional Regulation on the Implementation of Tourism is an effort made to create prosperity for the people. So it can be concluded that the Regional Government has endeavored various kinds of development policies in all fields, especially opening opportunities for investments in tourism sector. Efforts to accelerate the pace of regional development through regional autonomy policies set by the government are ultimately aimed at creating community welfare. One of the expectation of implementing regional autonomy policy is to support the implementation of regional economic growth through the creation of a conducive business climate.

In every management and development of tourist objects owned by the Government of Pacitan Regency, it cannot necessarily formulate and plan by one party only. Careful review is deemed necessary as a step that can be used when underlying any policy that will be implemented with the aim of synergizing each of the activities that are appropriate and specific to the tourist sites to be managed and developed. The negative impact of policy making related to development and management, especially investment in the tourism industry can be suppressed by the consistency of regulations and there are no elements that lead to the interests of a ruler or a group of people.

Every stage of the participatory process agreed upon by the affected community must be given space by the political elite to be used as a method to achieve the desired goals. The main meaning of each planning and main formulation is when it is implemented properly in accordance with the policies of the Regional Government which are adjusted together with community involvement in each process. Community involvement which is the key to the success of a plan should be developed at the first time the formulation of activities to be carried out, then related to the objectives of the plan that must be determined, local government policy must be determined, and when implementing the plan.

Planning for the management and development of attractions in the past few years is only seen as a domain of authority that is only carried out by the government alone. However, if it is understood further by seeing it firsthand the things that are present or occur at the location of many hectares that are actually not really capable of being implemented by the Regional Government. The empirical experience shows the various limitations of the Regional Government in carrying out its role and function as a planner

and manager.

Global challenges that must be faced by any country can use legal politics in drafting before implementation based on economic democracy. Determining the direction of economic policy is sovereignty called as economic democracy based on people. The validity of economic democracy in a country can be used as a reference that it is going well through the alignments of the people's economic system. In Indonesia, it is contained in article 33 of the 1945 Constitution of the Republic of Indonesia which states that it is related to economic democracy. Efforts that can be achieved in the national legal system must be built based on the values contained in Pancasila (Setiawati, Mardjo, and Mahita Paksi 2019).

The failure of the Regional Government in implementing its power as a party that has domination often results in a long-running bureaucratic chain so that inconsistencies in planning may occur. The wrong perspective is when the Government has dominance over information and authority of the resources owned by the region. This disproportionate result in the potential that can actually be used as regional superior for regional income sources are in fact that it is unable to be managed properly. However, if the Regional Government carries out its obligations in the public sector properly by combining each plan in synergy with several stakeholders, it can equalize the regional economy with other regions.

In terms of the authority, the Regional Government must be able to optimize the assets or potential owned by the region. The role is considered important for certain underdeveloped regions compared to other regions in economic terms. Assets and potentials owned by several regions cannot be managed and utilized properly although each of these assets has economic value for the Regional Government and in particular for the members of local community to be used as the main source of regional income. The local government and community must work together to manage and utilize the assets owned by the region because the results will also be returned to the community in the form of development program such as infrastructure (Subadi 2018).

The three Regional Regulations can be said to have accommodated the objectives of the Regional Government to advance the tourism sector through the entry of funds from private parties who make investments with several provisions that support its implementation. Investment cooperation in the tourism industry in Pacitan Regency refers to the Regional Regulation of Pacitan District Number 5 of 2014 Amendment to the Regional Regulation of Pacitan Regency Number 7 of 2013 on the Implementation of Tourism in Article 52. There are three paragraphs that state that implementation can be carried out by the Pacitan Regent with a third party.

These provisions are further regulated if the cooperation in the management and development of tourism businesses is a third party from foreign parties, it is required to obtain approval from the Pacitan District Parliament. Likewise, if the cooperation carried out with a third party both from within the country and from abroad, its activities can potentially burden the community and the area around the industrial location; it is also

required to obtain approval from the Pacitan District Parliament.

In terms of the authority, the Regional Government must be able to optimize the assets or potential owned by the region. The role is considered important for certain underdeveloped regions compared to other regions in economic terms. Assets and potentials owned by several regions cannot be managed and utilized properly although each of these assets has economic value for the Regional Government and in particular for the members of the surrounding community to be used as the main source of regional income. Local governments and communities must work together to manage and utilize the assets owned by the region because the results will also be returned to the community in the form of development programs such as infrastructure (Djafar 2015).

As a form of support from the Regional Government in providing legal certainty for tourism business activities in Pacitan Regency, a new Regional Regulation has also been made in accordance with article 9 of Law Number 10 Year 2009 on Tourism, namely Pacitan District Regulation Number 12 of 2016 on Master Plan of Tourism Development in Pacitan Regency 2016-2025. In the Regional Regulation detailed in article 28 and article 29 regarding the steps undertaken to improve the tourism sector through investment cooperation with the private sector. The stages are to accelerate the pace of regional development through regional autonomy policies set by the Regional Government so that ultimately aimed at creating community welfare. One of the expectation of implementing regional autonomy policy is to support the implementation of regional economic growth through the creation of a conducive business climate.

Various types of tourism potential have their own characteristics to be developed dominantly and have the potential as an embodiment in supporting the continued realization of destinations in the region. Developing the potential requires certain precise strategies through policy making based on the principle of community empowerment around the destination. The principle of empowerment is a reference that can conflict with tourism development contained in the main ideas of tourism development carried out conventionally, so that local people are isolated from every development activity (Budiani et al. 2018).

However, the objectives to be achieved by the Regional Government of Pacitan Regency cannot be separated related to investment activities which have become one of the priorities to improve the regional economy. Policies implemented in improving the economy in Pacitan Regency are supported by the Regional Regulation of Pacitan Regency Number 7 of 2012 on Intensive Provision and Provision of Investment Ease.

Therefore, in terms of investment, it is a step towards opening the broadest gate to the investment potential in Pacitan Regency to investors who will invest their capital. In accordance with the Regional Regulation in Article 3, Article 4, and Article 7, the Regent provides the incentives and facilitation of potential investors to increase and accelerate the development of investment. So, it is expected that it can attract the investors and distributed to potential investors.

Overall, if it is examined in-depth with exploratory approach, three Pacitan

Regency Regulations related to investment in the tourism industry have three foundations used as the basis for their formation. Three foundations that are closely related are philosophical, sociological and juridical aspects.

The philosophical foundation of the three Regional Regulations in the context of realizing tourism development in Pacitan Regency as a whole is related to the life sector based on the vision and mission to be achieved. The vision and mission that are the goals of the Pacitan Regency Government are firstly to build clean, effective and accountable governance, secondly to improve the quality of life and social life of the community, thirdly to build the community's economy by encouraging regional potentials supported by the availability of adequate infrastructure, and fourth, increasing social piety and harmony among all levels of society.

Therefore, the establishment of the rule of law which in this case is regional regulations, must reflect the philosophy of the nation itself i.e. Pancasila to avoid conflict with the moral values of the Indonesian people. So, the regulation can be implemented optimally by taking into account the values of the Pancasila, the purpose of the state, regional vision and mission and the specific capacity of the Pacitan Regency.

The sociological foundation with the existence of the regional regulation can be adjusted to the life of the community which by itself will grow legal awareness in the community. That is because in the development of tourism can be used as a means to create awareness of regional identity and togetherness in diversity. The three Regional Regulations are in accordance with the reality of the community of Pacitan Regency, with the aim that a conflict does not occur because the regulations made are not in accordance with the reality of community life.

Juridical foundation is a legal basis that gives orders to form a statutory regulation. In terms of authority, it can be seen that whether there is the authority of an official or entity that has a legal basis specified in the legislation. This really needs to be observed considering that a statutory regulation made by a body or official who does not have the authority, the statutory regulation is null and void (*neitige*).

In this case, the Regional Government of Pacitan Regency has the authority based on the Law on Regional Government to make a Regional Regulation. This authority is used by the Regional Government which produces several legal products relating to the development of investment in the tourism industry including Pacitan Regency Regulation Number 5 of 2014 amendment to the Pacitan Regency Regulation Number 7 of 2013 on the Implementation of Tourism, Regional Regulation of Pacitan Regency Number 12 Year 2016 on the Master Plan for the Development of Tourism in Pacitan Regency in 2016-2025, and the Regional Regulation of Pacitan Regency Number 7 of 2012 concerning Intensive Provision and Provision of Investment Ease.

Related to policy making, which is the regional regulations established by regional governments, it generally conflicts with the public interest in legislation that is higher in hierarchy So, what is meant by contradiction here is something that is not in accordance with the conditions that should be. As a result, this can lead to disharmony between

communities, public services can be disrupted, and public policies are also disrupted so that the results of regulations that are formed are more discriminatory (Rasyid 2013).

The legal politics of the Regional Government in forming a regulation is seen from the Legal Structure of the regulation itself, so that it can determine the direction and purpose that states the basic essence of its enforcement. This is inseparable from the three regional regulations in Pacitan Regency, each of which has its own legal political significance when it was made by the Pacitan District Parliament. The effort made by the Pacitan Regency Government in improving the regional economy, especially the people through the formation of regulations is a good step for development. If economic development through the tourism sector goes well, it can provide more effects on development in other sectors. So, each Local Government regulation has links with other sectors so that all can synergize optimally with the support of stakeholders.

The problem is that the Regional Government is less able in terms of policy making related to the utilization of natural tourism potential which can actually be developed and realized as superior potential to become a valuable asset for an area to at least equalize the regional economy with other regions. The need for local governments to make a new partnership with various private parties is another problem that arises when an area will develop and realize natural attractions that have the potential to be developed and managed.

Conclusion

The political policy of the Regional Government of Pacitan Regency in policy making can be seen from the Legal Structure of the regulation itself so that it can determine the direction and purpose that states the legal politic and the basic core of the enactment of development related to investment activities in the tourism sector. Based on the three Regional Regulations of Pacitan Regency relevant to investments in tourism, this has significantly increased the attractiveness of tourism in Pacitan Regency. Therefore, through legal politics, the establishment of these policies can make the Pacitan Regency be aligned with other Regencies in the East Java Province region and which are more related to its urgency which can be useful to improve the level of economic income of the people around the tourist attractions. Then, it can be seen that its political objectives are to open up the broadest investment opportunities that can be made in the tourism sector by looking at indicators in each of the parameters that exist from year to year such as an increase in the number of tourist visits to the increase in local revenue.

Suggestions

Referring to the results of the latest data by the Department of Youth and Sport Tourism of Pacitan Regency, it shows that investors are only involved in supporting aspects of tourism businesses such as lodging and travel agents. While the management of attractions that are the core of the activity only managed by PT. El-John Tirta Emas

Tours on Teleng Ria Beach. Even though Pacitan Regency has a very large and diverse tourism potential with investment opportunities that can be developed to get income for some parties, the Regional Government should be able to exploit the potential by involving the private sector or stakeholders so that its management does not only use the funds from the APBD and the APBD can be used for developing other sectors. Therefore, it is necessary to determine the legal politics to be achieved by the regional government when making the policies, so that they can be relevant to the characteristics of the problems.

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