Innovative Legal Modeling for Interdisciplinary Studies on Law and Economic Behavior

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Abstract. This study introduces a new paradigm for interdisciplinary empirical legal research by presenting a groundbreaking perspective on the integration and interconnectedness of law and economics. Our research argues for the necessity of this shift. The conventional pragmatic paradigm, which risks fragmenting concepts and methods by reducing meaning to mere data and facts, is eschewed in favor of an integration-interconnection theory. This paper investigates the theoretical foundations of the proposed paradigm through library research and philosophical inquiry. Our research uncovers two distinct approaches within the new empirical legal studies paradigm. Firstly, the historical approach requires a re-structuring of the theory, leading to multidimensional and holistic models. Secondly, the philosophy-as-a-system approach necessitates method restructuring by utilizing cognitive, holistic, open, and purposeful models. The integration aspect of the paradigm necessitates a comprehensive theoretical restructuring, while the interconnection aspect requires a broadened viewpoint. The historical approach is demonstrated by historical reformation, which encompasses multidimensional and holistic models. In contrast, the philosophy-as-a-system approach entails methodical reforms through the incorporation of models that focus on cognition, wholeness, openness, and purposefulness. The historical and methodical restructuring prototypes can be seen in the Integrative Legal Theory Model and the Critical Legal Functionalism Model. Our study highlights the significance of incorporating economic behavior into the interdisciplinary framework of empirical legal studies. This will enable a more comprehensive understanding of the complex connections between law and economic dynamics.

Keywords: Research Philosophy, Empirical Research, Causality, Cognition, Economic Behaviour.

1 Introduction

The exploration of legal studies requires a constant pursuit of innovative approaches in order to unravel the complex interplay between law and economic research [1]. This
paper presents a transformational approach, titled "Innovative Legal Modeling for Interdisciplinary Studies on Law and Economic Behavior," as a solution to the issues presented by the standard pragmatic paradigm [2]. Our research highlights the crucial necessity for a transformative change in perspective, moving away from the constraints of the dominant pragmatic approach, which has a tendency to divide concepts and approaches by oversimplifying meaning into mere statistics and facts. Instead, we propose the adoption of an integration-interconnection theory, which offers a more comprehensive and interrelated comprehension of the relationship between law and economics [3].

In order to explore the theoretical foundations of our suggested paradigm, this study undertakes an extensive examination through the utilization of library research and philosophical inquiry. It places particular emphasis on the significant influence of economic conduct in defining the dynamics of the legal system [4]. Through a thorough examination of extant scholarly works and an exploration of philosophical viewpoints, our objective is to reveal the underlying principles of a groundbreaking methodology in empirical legal studies that surpasses the limitations of the pragmatic framework. This inquiry primarily centers on the ramifications of this approach for economic conduct [5].

The research conducted in our study identifies two separate methodologies that are closely associated with the exploration of economic behavior within the envisioned paradigm. The historical approach necessitates a reorganization of legal theory, facilitating the emergence of comprehensive and multifaceted models that effectively encompass the intricacies of economic conduct inside legal structures [6]. Furthermore, the philosophy-as-a-system approach promotes the systematic reorganization of cognitive, holistic, open, and purposeful models in order to adequately analyze the complexities of economic behavior within legal contexts. The integration of this paradigm is not universally applicable; rather, it necessitates a simultaneous consideration of both theoretical and methodological reorganization, with a particular emphasis on the significance of economic behavior [7].

The successful implementation of our suggested paradigm necessitates a thorough restructuring of current theoretical frameworks, which entails questioning the conventional limits of legal studies and fostering a deeper examination of economic activity [8]. Conversely, the feature of interconnection elicits a widened viewpoint, highlighting the significance of comprehending the interdependence of law and economics, wherein economic conduct assumes a pivotal role as a linking element. The historical method, as demonstrated by historical reformation, involves the development of comprehensive and multifaceted models that prioritize economic behavior. The philosophy-as-a-system approach encompasses systematic changes that incorporate models prioritizing cognition, wholeness (holistica), openness, and purposefulness. These models are utilized to analyze the intricate nature of economic activity within legal frameworks [9].

Prototypes of historical and methodical restructuring emerge in the form of the Integrative Legal Theory Model and the Critical Legal Functionalism Model, both designed to explore and expound upon the intricate relationship between law and economic behavior [8]. These models stand as beacons of the innovative potential
inherent in our proposed paradigm, illustrating how it can transcend the limitations of
traditional approaches to legal studies while shedding light on the nuanced dimensions
of economic behavior within legal contexts [10].

This study underscores the critical importance of incorporating economic behavior
into the interdisciplinary framework of empirical legal studies. By doing so, we aim to
foster a more nuanced and comprehensive understanding of the intricate connections
between law and economic dynamics [11]. As we embark on this journey of innovative
legal modeling, we anticipate that our proposed paradigm will not only redefine the
contours of empirical legal research but also pave the way for a more holistic
comprehension of the multifaceted relationship between law and economic behavior
[12].

2 Research Method

The research project, entitled "Innovative Legal Modeling for Interdisciplinary Studies
on Law and Economic Behavior," aims to utilize a methodological framework. The
research methodology has been designed to analyze the complex relationships between
legal frameworks and economic behavior, with a focus on the innovative legal
modeling approach in an interdisciplinary context [13].

To advance empirical legal studies, this research will utilize a multifaceted approach
based on both philosophical analysis and investigation. The methodology derives
inspiration from interpretative and holistic methodologies, aiming to offer a thorough
examination of integration-interconnection theory within the legal and economic
domains [14].

To clarify the approach taken in legal modeling, this study explores the Maqashid
Sharia legal reasoning model and its impact on the indigenization of law in Indonesia
from a global perspective. While the primary focus is on innovative legal modeling, the
study aims to identify similarities between the application of the Maqashid Sharia
model and the proposed integration-interconnection theory for understanding economic
behavior within legal frameworks [15].

3 Result and Discussion

This subtopic, centered around "Innovative Legal Modeling for Interdisciplinary Stud-
ies on Law and Economic Behavior," will systematically delve into three key aspects
that form the foundation of this research. The discourse framework commences with
an analysis of the scholarly article titled "The Urgency of Integration-Interconnection
Legal and Economic Paradigms" [16]. Subsequently, it proceeds to delve into the sub-
ject of "Historical Restructuring," and ultimately investigates the concept of "Method-
ical Restructuring." [17]

The present discourse will commence by examining the imperative nature of linked
and interconnected legal and economic paradigms. A comprehensive comprehension
of the indispensability of this paradigm forms the foundation for the creation of in-
ventive legal frameworks within the realm of interdisciplinary studies. This section will
examine the global and local circumstances that drive the necessity for a comprehensive approach in understanding the interconnectedness of legal and economic conduct [18].

The subsequent section of the discourse will now shift its focus to the concept of "Historical Restructuring," wherein the investigation will emphasize the manner in which historical restructuring has the potential to establish a strong foundational framework for multidisciplinary methodologies. This research aims to analyze the historical development of legal and economic theories in order to gain a comprehensive understanding of the transformation and evolution of fundamental notions that underpin the theoretical framework [19].

The concluding subtopic, "Methodical Restructuring," will elucidate the use of the restructured methodological approach within the context of this study. The next discourse will encompass philosophical and investigative examinations aimed at comprehending the complex interplay between legal frameworks and economic activity. The chosen methodology will incorporate interpretive and holistic elements in order to offer a thorough and all-encompassing comprehension [20].

Through the systematic delineation of these three distinct subtopics, it is expected that the reader will acquire a full understanding of the fundamental principles, contextual background, and methodological approach employed in this research endeavor. The primary objective of this discourse is to establish a strong theoretical framework and delineate the methodologies employed in the investigation of creative legal modeling within interdisciplinary examinations of law and economic behavior [14].

3.1 The Urgency of Integration-Interconnection Legal and Economic Paradigms

The contribution of integration and interconnection theory in realizing the innovation of legal modeling for interdisciplinary studies on law and economic behavior involves several basic concepts. First, the integration of social sciences, psychology (psychoanalysis), and anthropological studies can form the foundation of more comprehensive legal modeling because designing regulations not only requires conformity to the conditions of society but also the vision of the regulation itself to reach the behavior of directing and controlling economic behavior.

Second, to encourage sustainable investment, the legal model requires a regulatory character that incentivizes MSMEs to adopt green investment practices that are in line with the goals of inclusive and sustainable economic growth.

Third, the concept of integration and interconnection can be used to build legal models related to the relationship between people's consumption patterns and mental health. The integration of data on dietary supplement consumption with legal and health aspects can produce a model that is more responsive to community needs, including regulations related to mental health, amid a pandemic situation.

Fourth, factors that influence the behavioral intentions of individuals in using online capital market investment platforms, such as trust, ease of use, and quality of service, can be the basis for designing legal regulations that support the development of online capital markets while still paying attention to consumer protection [21]. The integration of these basic concepts in Legal Modeling for Interdisciplinary Studies on Law and Economic Behavior can provide a solid foundation for innovation and more holistic
thinking in understanding and responding to changes in the economic behavior of Indonesian society [22].

Research on pricing and market conduct in vertical relationships provides important insights into the endogeneity of upstream and downstream market behavior. However, due to the lack of integration of interconnection theory to detail complex relationships between market participants, especially in identifying the dynamics of linkages between price policy and market behavior, the findings are partial. The integration-interconnection paradigm can be used to bridge this gap by emphasizing the interrelationships between various elements in a legal economic system [23].

The literature review shows that the research topic on market conduct supervision in Indonesia highlights the lack of emphasis on economic aspects and the integration of economic data in the research literature. The gap can be bridged by applying interconnection theory, which recognizes that economic phenomena cannot be understood separately from social and cultural factors. This approach can provide more comprehensive insights into designing surveillance models of market behavior that cover both of these dimensions [24].

There is a need to use integration-interconnection theory to understand the implications of market participants' responses to tax applications. Previous research has shown that commodity taxes and welfare under endogenous market conduct have not taken into account the relationship between tax regulation and its impact on market behavior, so the design of an interconnected integration theoretical framework can help detail how tax policy can create significant long-term side effects on businesses.

The theoretical framework of integration and interconnection can also play a role in measuring the market structure, behavior, and performance of the creative industry in Indonesia to survive the tendency of monopoly structures among large business actors at the multinational level. Previous research has shown that innovation's role in overcoming monopolies is a gap that can be bridged by interconnection theory by detailing how innovation can be a key element in breaking down monopoly structures, opening the door to new paradigms of designing policies that encourage creativity and fair competition and protect small and medium enterprises [25].

The same research topic on market structure with different variables is the performance of the banking industry in Indonesia. There is also a gap to understand the impact of increasing the concentration of capital and assets on banks on efficiency and competitiveness. Interconnection theory can be a bridge to fill this gap by providing a more integrated perspective, as it must consider the concentration of economic networks as a whole and how efficiency can have implications for the competitiveness of the banking sector [26].

To realize the design of interdisciplinary studies of law and economic behavior as the focus of this research, Amin Abdullah's integration-interconnection theory introduces two stages of integration-interconnection as a circular motion of various scientific paradigms, namely historical restructuring and method restructuring. Both are carried out circularly, namely scientific dialogue that is carried out continuously, for example, dialoguing between key topics that become the meeting point between law and economic behavior, such as consumer behavior and legal protection, financial market supervision and monopoly tendencies, and other topics. Thus, circular motion has the meaning of an interdisciplinary dialogue between the legal paradigm and the economic
paradigm through the restructuring of the history of the paradigm and the restructuring of its methods.

3.2 Historical Restructuring

As explained earlier, the historical approach makes use of multidimensional and holistic models to reconceptualize economic and legal paradigms. Weber's theory of social action (economic psychology) can be applied to legal normativity or vice versa, by detailing the subjective meaning of individual social actions born from various motives such as rational-instrumental, rational value, zone of life, and traditional [27]. The integration of this concept becomes clearer when we engage Wardiono's scientific-critical view and man's "aurea aetas" from Kelsen's pure legal theory [28].

Conceptual and historical-critical approaches play an important role in finding conceptual similarities between two theories that have ontological and epistemological properties of humanities that are not linear objects of study. These basic assumptions provide the basis for historical restructuring as a reference for integration-interconnection theory in an interdisciplinary approach to empirical legal studies. The historical integration of Kelsen's legal theory and Weber's social action can be traced through conceptual similarities, linking views of values and judgments between Kelsen and Weber. Kelsen's Neo-Kantian concept of the perception of facts and Weber's theory of social action about the formation of society through individual action are linked to understanding how facts and actions form the foundation of law [29].

Amin Abdullah's integration-interconnection theory reinforces the integration of the two views through an approach that reconceptualizes Kelsen's theory from legal normativity to "formal legal action theory." It preserves conceptual relevance by preserving normative concepts as the basis of individual action that follows rules and remains open to social science theories of "law as normative action." Thus, a historical restructuring of Kelsen's views creates a stronger foundation for the integration of Weber's law and social action to examine economic topics such as market conduct and law, broadening perspectives on the behaviour of economic actors in response to the implications of financial regulation such as taxes and other liability burdens [30].

Historical restructuring according to the author is relatively successful in uniting Weber's idea that action is socially constructed and Kelsen's idea that legal normativity is important as the basis of the social legitimacy of regulation (Jerome Hall, 1976). The historical restructuring resulted in a more comprehensive approach to regulatory design in influencing and controlling business behaviour in the desired direction.

Sociologically, historical restructuring describes a shift in the logic of action from the philosophy of behaviourism to the empirical study of value-oriented action or "law in action." Kelsen's principle of imputation of condition-consequence relationships became the basis for understanding how Weber's theories and motives for action could be used alongside Kelsen for data collection and legal concepts [31]. Overall, the historical restructuring of economic and legal paradigms creates a solid foundation for the integration of these concepts, forming a more holistic view of understanding and responding to changes in the economic behaviour of societies.

Historical restructuring in the interdisciplinary research model of law and economics produces significant impacts that can be found through several key aspects. First, the
history of the development of legal and economic theory, and historical restructuring allows the formation of research models that integrate such concepts more strongly. The integration between the views of Kelsen and Weber, together with the contributions of Jerome Hall and Catherine Thélène, created a more solid and thorough theoretical basis. Second, a historically restructured interdisciplinary approach helps address ontological and epistemological misalignments between different theories [32]. By investigating historical developments, research becomes more holistic and avoids the risk of fragmented understanding. Third, continuous linkage emphasizes purposiveness, historical restructuring creates a continuous link between the views and theories involved. This has a positive impact on the relevance of research models to changing times and prevents a deep separation between legal and economic theory [33].

By combining integrative and historical-critical approaches, this model creates a more comprehensive and dynamic framework for understanding the relationship between law and economics. Historical restructuring places special emphasis on the implications of theoretical goals and judgments, favouring conceptualizations derived from variables from two scientific varieties. This has the potential to result in more contextual and applicable research. The implication of historical restructuring is the development of interdisciplinary research models that are more robust, holistic, and relevant to the dynamics of the relationship between law and economics. This model not only overcomes ontological differences but also provides a more in-depth view of the history of the development of related theories, creating a more solid basis for innovation in empirical studies in law [32].

### 3.3 Methodical Restructuring

The restructuring of research methods from economic and legal paradigms includes several key features that can form a more contextual and applicable research design. The following is an explanation related to the restructuring of research methods from economic and legal paradigms [34]:

1. **Cognitive Nature**: This feature highlights a reasoning model and reflects an attempt to understand the meaning and implications of a theory by tracing the reasoning habitat of a theory. An open cognitive culture allows integration between the cognitive habitat of a theory and its openness, allowing scientific reasoning from other cognitive habitats to be invited to dialogue on a common basis. The basic principle of this methodological feature is that the reasoning of a theory tends to be closed if it is traced according to the habitat that forms it.

2. **Openness**: Philosophical openness emphasizes the restructuring of theories from cognitive cultures that accept scientific plurality. The use of this feature-based conceptualization ensures that concepts are based on conceptual similarity rather than categorical similarity, thus fulfilling the feature of openness.

3. **Characteristics of Wholonoes**: This feature rejects reductionist and atomistic approaches. The atomistic tendency to have an element of uncertainty as opposed to binary certainty has not yet entered the problem of uncertainty and partial atomicity at the core of the causality way of thinking. The use of these characteristics in an interdisciplinary framework requires researchers to have a deeper understanding of the theory, both its theory specific to the law and its universal axioms.
4. Praxiological Model: The restructuring of research methods adopts the methodological pluralism model of Brian Tamanaha, Clifford Gertz, and the praxis of Baudouin Dupret. While Tamanaha carries the paradigm of behaviourism and interpretivism, Gertz combines culturalism and interpretivism. Dupret, with his praxis approach, proposed restructuring an interdisciplinary approach according to the paradigm of praxis built according to the approach of philosophy as a system.

5. Systems Philosophy: The systems philosophy approach models the reality and structure of theoretical frameworks using a systems perspective. It emphasizes dependencies between groups of people, structures, and processes rather than objects, cognitive structures, or methods that separate the particular from the universal. By understanding law as an institution planned to regulate human relations, the restructuring of research methods adopts the autonomy model proposed by Teubner as an autopoietic model.

Through this restructuring, the design of research methods achieves the level of resilience and complexity necessary to understand and analyze legal and economic phenomena in an interdisciplinary context. This restructuring ensures that research methods become more open to scientific plurality, more holistic in their approach, and better able to cope with the complexities of social reality [32].

The conclusion derived from the experiment highlights the significance of employing multiple methods in conducting empirical legal research. The authors recognize the constraints of their experiment and stress the possibility that different techniques, such as utilizing archival data or presenting the vignette in another framework, could have impeded the resolution of their research queries. The authors contend that the detected drawbacks are not hindrances but rather opportunities for systematic testing and advancement of theory in comprehending the influence of diverse causal explanations on decisions about sentencing.

The conceptual inference of this finding is a strong backing of methodological pluralism. The authors maintain that progress in empirical legal research is not accomplished by considering individual data or methodologies as competing with one another. The authors recommend employing diverse research questions and methods, acknowledging their respective strengths and limitations. They emphasize the importance of discerning between various forms of validity while evaluating legal research and avoiding assumptions regarding the superiority of a particular research approach. The authors stress that the chosen methodology should be guided by the research question. They endorse that archival and experimental methodologies ought not to be viewed as rivals but rather as sources of complementary information, each with unique advantages and disadvantages. This stance fosters a productive interplay between diverse methodological approaches that enhances the overall validity and depth of empirical legal research [35].

4 Conclusion

The conclusion of this research is an interdisciplinary research design of law and economics based on the theory of integration and interconnection known through historical
restructuring and methodical restructuring. Historical restructuring implies the interdisciplinary research design of law and behavioural economics because it builds a solid and integrated theoretical foundation achieved by tracing the history of the development of legal and economic theory. Through this historical exploration, economic and legal concepts such as those in the studies of Kelsen and Weber, Jerome Hall, and Catherine Thélène and combined synthetically to provide a strong foundation for interdisciplinary research.

Holistic understanding becomes an enriched foundation through historically restructured interdisciplinary approaches. By understanding the history of the development of related theories, research becomes more thorough and able to overcome ontological and epistemological misalignments. This prevents the risk of fragmented understanding and provides a more comprehensive perspective on the legal relationship and economic behaviour. Historical restructuring emphasizes the implications of the goal so that the relevance of findings is not only contextual but also continuity between economic and legal theories and prevents their particularity. The interdisciplinary hybrid model formed through historical restructuring incorporates an integrative approach to the function of expanding perspectives and perspectives of historical criticism to comprehensively understand the dynamics of each legal and economic theory. This approach allows research to bridge the gap between disparate theories and a more unified understanding. Consequently, historical restructuring ensures that legal and economic research models are not only practical but also in-depth so that research findings are more contextual and applicable.

The interdisciplinary research design of law and behavioural economics that integrates the above methodical restructuring carries a holistic and contextual approach. Through the application of cognitive, openness, and overall features, this research gains a strong foundation in understanding and analyzing the complex interactions between law and behavioural economics. First, cognitive properties allow researchers to trace the reasoning habitats of legal and economic theories, understand the implications of concepts, and open up opportunities for scientific dialogue with theories from other cognitive habitats. Philosophical openness favours a restructuring of theories that accept scientific plurality, leading to the selection of concepts based on conceptual resemblance rather than categories. The holistic characteristic (wholeness) rejects the reductionist approach, ensuring that analysis involves a deep understanding of legal and economic theory and its universal axioms. Furthermore, the praxis models of Tamanaha, Gertz, and Dupret provide the methodological flexibility required in interdisciplinary research. By adopting a systems perspective in systems philosophy, this research treats law as an institution that is closely related to the interdependence of human groups, social structures, and economic processes. The result is a research design that not only details the interaction between law and economic behaviour in an integrated manner but can also address the complexity and dynamics of the broader social context.
References


