

# The Indonesian Update

Monthly Review on Economic, Legal, Security, Political, and Social Affairs



## Main Report:

Searching for an Asymmetrical Model for Local Elections

### Economics

- Awaiting Transmission of Decrease in Credit Interests ■
- Questioning the Polemics over Sugar Price Increase ■

### Law

- Ghosts of Radicalism in 2020 ■
- Draft Law Job Creation and Marginalized Environments ■
- Criminal Code Measures against Law Enforcement of Mask Hoarding ■

### Politics

- Encouraging the Effectiveness of Penta Helix Collaboration to Overcome of Jakarta Floods ■
- The 2020 Population Census and Open Government in Indonesia ■

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- The Increase in the Number of Sexual Violence Cases and the Need for Regulation ■
- The Family Resilience Bill in the Social Welfare Perspective ■
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# FOREWORD

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The March 2020 edition of the Indonesian Update raises the main report on the discourse on regional head elections with an asymmetrical model. These polemics arose following the idea of the Minister of the Interior (Mendagri) Tito Karnavian to evaluate the implementations of regional head elections (pilkada). The discourse has been discussed since the end of 2019. However, the clarity of the directions of the evaluation has not yet emerged.

In the economic field, this Update discusses global economic uncertainty, starting from the unclear American-Chinese trade relations, the American-Iranian geopolitical tensions, to the outbreak of the Corona virus. In addition, we also discuss the issue of the rise in sugar prices, which also deserves attention. As according to the data from the National Strategic Food Price Information Center (PIHPS), the national average sugar price per Friday (28/2/2020) has reached Rp14,900 per kg.

In the field of law, we discuss the polemics over the Draft Work Bill (Draft Bill) on Work and environmental aspects. Environmental-related issues are unfortunately also marginalized in the draft bill. In addition, we also discuss the threat of increasing radicalism in Indonesia in 2020. According to data from the Global Terrorism Index (GTI) in 2019, Indonesia's score has increased quite dramatically from previous years to 5.07. This is the highest number that has been achieved by Indonesia so far. Then in the field of law, we also discuss the immeasurable use of criminal law in cases of hoarding goods due to corona outbreaks, which will result in the criminalization of acts or subjects that should not need to be criminalized (over-criminalization).

In the political field, Update Indonesia discusses the effectiveness of pentahelix collaboration in handling floods in DKI Jakarta. This is important because in efforts to deal with flooding, the government has practiced the pentahelix model as a basis for collaboration. However, increasing the active role of the community still needs to be done. In addition, we discuss the Indonesian population census that will be held in 2020. The success of the 2020 Population Census has become a vital aspect in the administration of data management to accelerate the realization of open government in Indonesia.

In the social field, the Indonesian Update raises the issue of increasing number of sexual violence cases in Indonesia. This then raises the pressure to immediately enact the Bill on the Elimination of Sexual Violence. In addition, we discuss the development of an online system in BPJS Health management. Next, we discuss the polemics over the Family Resilience Bill in the perspective of social welfare.

The monthly publication of the Indonesian Update with actual themes is expected to help policy makers in government and business institutions - as well as academics, think tanks, and elements of civil society, both at home and abroad, to get actual information and contextual analysis of economic conditions, political, social and legal aspects in Indonesia, and an understanding of public policy in Indonesia.

**Happy Reading.**

## Searching for an Asymmetrical Model for Local Elections

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The Home Affairs Minister (Mendagri) Tito Karnavian has been thinking about the evaluation of the local elections, which has never been done since its first implementation in 2005. The discourse about it is still being discussed since the end of 2019. However, the evaluation itself has not had any clear directions.

An asymmetrical model for local elections emerges, including how to choose regional leaders. The maturity level of democracy is one of the arguments from Mendagri Tito in bringing up an asymmetric local election model. It also has several arguments, such as high political costs, horizontal conflicts in society, and the case of corruption of the regional leaders. Overall, the asymmetrical discourse does not have clarity from the conceptual side.

Differences in matters of regional finances, geographical conditions, and social and cultural backgrounds have still not been examined by Mendagri. Even though, the presence of these aspects will clarify the asymmetrical concept from Mendagri and limit the spread of unnecessary discourse. But on the one hand, has Indonesia already adopted an asymmetric local election system in some of its regions?

### **Asymmetrical local elections that have been implemented**

If asymmetric refers to the policy of using instruments that have different effects in different conditions and approaches, but to achieve the same goal (*Litvack, Ahmad and Bird, 1998*), then the asymmetrical local election policy has actually been carried out in a number of regions in Indonesia. There are five regions that implement asymmetrical local elections; namely, DKI Jakarta Province, D.I. Yogyakarta, Aceh Province, and Papua and West Papua Provinces. These five regions have their respective asymmetrical elements within the framework of the local elections implementation.

DKI Jakarta Province through Law Number 29/2007 on the Special Government of the Capital City of Jakarta (Jakarta Law) has two special characteristics that distinguish the local election implementation from other regions. *First*, the election of the Governor and Deputy Governor in Jakarta demands an absolute majority of votes in order for candidates to be elected as a local leaders. In Article 11 paragraph 1 of the Jakarta Law, it is stated that candidates must received more than 50 percent of the votes in order to be determined as an elected candidate pair (*paslon*). The diversity of the poeple and complexity of the problems faced demand strong legitimacy, which is reflected in the support of more than 50 percent. Moreover, it is believed that strong legitimacy is one of the keys to an effective government sustainability.

The second characteristic that distinguishes Jakarta is the positions of Mayor and Regent, who are appointed by the Governor from among the civil servants (PNS). The appointments are carried out at the consideration of the DKI Jakarta Provincial Parliament, although its consideration not binding on the Governor. This is in line with the Governor's authority in Jakarta who can appoint and dismiss the Mayors and the Regents. The demand for intense coordination between the capital and central government in the same area does require great authority by the Governor of Jakarta. Therefore, Jakarta has a number of different characters in organizing its elections.

Meanwhile, the implementations of local elections in the provinces of Yogyakarta and Aceh also show their own asymmetrical elements. Article 18 letter c of Law Number 13/2012 on Yogyakarta Special Region Privileges (DIY Law) explicitly states that the positions of Governor and Deputy Governor will be occupied by the Sultan Hamengku Buwono and Adipati Paku Alam, respectively. An appointment without direct elections is inspired by historical records about the contribution of Yogyakarta in the early stages of Indonesia as a country, so the designation of positions carried out by the DIY Law is demanded to be free from certain political nuances. Therefore also, Article 18 letter n of the DIY Law also emphasizes that *paslon* are not members of political parties.

For the Province of Aceh, a long history of conflict led to the issuance of Law Number 11/2006 on the Government of Aceh (Aceh Law). The implementation of the candidates' requirements, the presence of local political parties, nomenclature of the election organizing agency, to the form of regulations make Aceh's elections very contrasted compared to other regions.

One of the highlights is Article 67 paragraph 2 letter g of the Aceh Law. According to the article, Pilkada in Aceh gives an exception to the prohibition of candidacy against candidates who were convicted of treason, provided that they have received amnesty or rehabilitation. The specification of treason that correlates with the history of the conflict in Aceh makes this requirement cannot be found in others election regulations in Indonesia. Specificity that also cannot be found other than in Aceh is the existence of local parties, which is aimed at fulfilling the political rights of former members of the Free Aceh Movement (GAM) who have received amnesty from the central government.

Two other things that also differentiate the elections implementation in Aceh are the existence of *Qanun* and the Independent Elections Commission (KIP). *Qanun* is a regulation at the regional level (*perda*) that binds the people in the Aceh region. Meanwhile, KIP is a local and general election organizer in Aceh, which is part of the General Elections Commission (KPU). The rules regarding KIP itself are regulated in Aceh *Qanun* Number 6/2016 on Organizers of General Elections and Local Elections in Aceh (*Qanun KIP*). Meanwhile, the function of monitoring the election is carried out by an Election Supervisory Committee (Panwaslih) that is not found in other local elections.

This rule is become increasingly different, as in Article 43 letter c of the *Qanun KIP*, there is a requirement for prospective Panwaslih members to be able to read the *Al-Qur'an*. Similar requirement is also found in Article 9 letter c for KIP prospective members. The existence of this unique requirement is in line with the rule in Article 33 paragraph 2 letter e *Qanun* Aceh Number 12/2016, which requires a certificate of being able to read the *Qur'an* as one of the requirements for being the regional head candidate pair. This certificate is issued by an independent team that is given the authority to assess the candidate pairs by KIP. This rule will certainly be biased if the authorizer, in this case KIP, is not filled with people with the competencies as required for the regional head pairs.

The nuance of specific requirements is also found in the implementations of local elections in the special area of Papua (both Papua Province and West Papua Province) as regulated in Law Number 21 Year 2001 *jo* Law Number 35 Year 2008 (Papua Special Autonomy Law). Article 12 letter a of the Papua Special Autonomy Law clearly states that the candidates for Governor and Deputy Governor should be indigenous Papuans. The Papua People's Assembly (MRP), as an institutionalized cultural representation of the indigenous Papuans, later became institutions that provides the validity of this requirement.

The realization of local elections at the voter level in Papua also has a very different mechanisms. Through MK Decision No. 47-81 / PHPU.A-VII/2009, the recognition of the *noken* system is applied as a democratic election instrument. This is based on the cultural context of the Papuan people who still have a strong orientation to the figure of the tribal chiefs, because they are considered as leaders in political, economic, social, and cultural life (*Pasaribu, 2016*). Therefore, trust to the tribal chiefs has also been injected to political decisions in local elections.

The implementations of unusual local elections in five regions above are clear precedent relating to asymmetric concepts that are very diverse and specific when derived to operational forms. The vast space in defining the term asymmetrical makes Mendagri Tito's argument, which would like to divide the elections based on democratic maturity, important to be more specific. Moreover, there are elements that do not have standard units such as social and culture that have been alluded several times. Therefore, the asymmetrical idea brought by the Mendagri should be followed by specifications that can facilitate their implementations.

### **What should be more lucid in the asymmetrical local election draft?**

From a number of examples of asymmetric implementations from the local elections in Indonesia, there are a number of aspects whose derivative indicators can be used to clarify the Mendagri's asymmetrical concept. Determining aspects and indicators are the main prerequisites for strategic concepts such as asymmetric local elections to have clarity. This includes what, why, and the cause-effect relationships. Some of these aspects include matters of regional finances, regional geographical conditions, and social and cultural backgrounds.

The regional finances aspect is one of the most important aspects to be taken into account. Does an asymmetrical operation also mean that the funding needs to be differentiated? Right now, this question has been answered in the Regional Grant Agreement Scheme (NPHD) whose stages are regulated in Minister of Home Affairs Regulation No. 54 of 2019 concerning Funding for Local Election Activities.

From the logic of the NPHD implementations, the regional KPU (KPUD) and the regional government have their own space to collaborate in preparing the budgets for the elections. Different needs then present a variety of financing amounts. For example, in the implementation of the 2017 DKI Jakarta Provincial Election,

the funding provided by the provincial government reached IDR 478 billion (*KPU DKI Jakarta Province, 2016*). The implementation in Papua Province even showed a higher figure, which was IDR 850 billion (*KPU Papua Province, 2017*). The high costs of administration in Papua Province cannot be separated from its geographical conditions, which often require the logistics to be distributed only by small plane. These two examples then lead us to another question, will the asymmetrical discourse promoted by Mendagri changes the basis for local elections budget in each of these regions?

If indeed the asymmetrical model that is carried will present many regions as loci, a single component about regional financial capacity will certainly need to also accommodate and support other unique aspects within the area concerned. That is because the unity of the region is inseparable as a unit that is different from other regions.

One example that can be given is safety insurance for organizing members in difficult geographical areas, which are certainly different from other regions. Such incentives are important, because the process of logistics distribution ahead of the election has different levels of risk for the organizing members who carry them. Thus, the provision of incentives, such as safety guarantees to organizing members, will certainly change the calculation of funding granted from the Regional Budget (APBD) to local election organizing agencies.

Not only a matter of risks to the organizing members, geographical conditions also have their own excess in the implementation of certain stages of the elections. With the rigidness of implementation time in a number of the election stages, areas that are difficult to reach have the potential to experience obstacles. An example was the delay that occurred in the area of Manggal Api Village, Palolo District, Sigi Regency, Central Sulawesi Province in the 2019 General Election. Bawaslu from Sigi Regency report after the 2019 General Election stated that the difficulties to reach field conditions caused the ballots to be unable to arrive on the election day.

The excess of obstacles as happened in Sigi Regency have the potential to reach other stages such as vote recapitulation. This might happen, for instance, because the results of the votes distributed back to the election organizer in one region must be traveled through the same field; for example, from the district to the province, or from the sub-district to district. Thus, difficulties will be encountered in two phases: the distribution of logistics and post-ballot logistics returns.

With this calculation, consideration to carry out a vote in advance for areas that are difficult to reach should become an option. This is intended to avoid delays in the next stages of the election, such as the stages of filing disputes over the results of the vote to the stipulation of elected candidates. Thus, all residents in the region whose implementing the election can be reached by the organizer. On the one hand, the ability to reach difficult voters locations can also be interpreted as an opportunity to get increased voter turnout in the elections.

The two aspects above are calculated more easily, because they have clear indicators such as the distribution of voters at a number of election points and the distance traveled to distribute logistics. This is different from the next aspect; namely, social and cultural. If they do not have specificities that can be quantified, for example conflicts, it will be difficult to be transformed into operational form. Units such as distance and distribution of voters found as indicators in geographical aspect will be difficult to formulate in the context of social and cultural aspects.

The reason for the importance of quantification of social and cultural aspects lies in the need for clear achievement targets. Social and culture as facts are something different from social and culture as indicators. If facts are not transformed into specific units in the indicators, the successful implementation will be difficult to measure.

On the one hand, the implementation of the election must be guided by an operational regulation, which contains a method for achieving goals. That procedural element becomes an instrument so that the implementation target for the asymmetrical local election in a region can be achieved. Therefore, to be able to formulate implementing regulations, we need specific indicators from the asymmetrical local election concept, including the social and cultural aspects in every regions.

On the other hand, the focus on planning, executing, and evaluating the local election implementation carried out by the KPU also requires very clear guidance. If this concept is not precisely and specifically derived, of course the asymmetrical election that Mendagri has discussed will adds more weights for the KPU. The weights are not only at the implementation level, but there are also concerns about the achievement as an evaluation unit for the asymmetric local elections implementation.

Meanwhile, there are social and cultural facts in an area that has a form that cannot be calculated. Capturing the value of these

facts is an important step so that the formulation of asymmetrical concepts can be specifically spelled out. The process of gaining this understanding will direct us to a logical framework of values contained in social and cultural aspects in each regions. This logical framework will bridge the formulation of indicators from facts in the areas concerned.

The Papua Special Autonomy Law can illustrate the logical framework that the author intends. The requirements for Papuan native candidates for Governor Candidates and Deputy Governor Candidates are a form of state political recognition aimed at the protection toward indigenous Papuans from being marginalized in the economic spheres (*Pamungkas and Triindriasari, 2018*). Therefore, this requirement is expected to be able to improve the quality of life of indigenous Papuans, including efforts to protect the rights of indigenous Papuans through the institutionalization and strengthening of Papuan culture (*Lefaan, Nugroho and Mudiono, 2012*). Such solid arguments are needed so that social and cultural facts can be transformed into operational form in the elections. Although it must be understood that the realization of the logical framework is often deviated from the target. But at least, the process of absorbing values and transforming them into a form of regulation is successfully carried out.

Another thing that also needs to be considered in the process of transforming facts into indicators is the reverse-flow effect. The example of the requirement for native Papuans above is also not free from criticism as a result of different interpretations. Bayu Dardias opinion in Kompas (2012) actually perceived the requirement for the Governor Candidates and the Deputy Governor Candidates in the Papua region as an opposition towards the spirit of citizenship in a modern state. In addition, this requirement has in fact also led to new polemics in the region. For instance, the ethnic identity strengthening rather than Papuan identity strengthening that underlies the regulation itself (*Pamungkas and Triindriasari, 2018*), or the emergence of a new arena for Papuan political and cultural elites from the recognition policy adopted (*Lefaan, Nugroho and Mudiono, 2012*).

Apart from the transformation process of facts into indicators, and responses as part of the evaluation, social and cultural aspects must be appropriately captured. Offering asymmetrical local election as an option, without being based on an absorption of the different values within an area, and the formulating process of the values into a operationalized form will present a space that is cut off from the logic of the implementation of asymmetrical local election itself.

It is this clarity that needs to be fulfilled immediately by Mendagri as a first stakeholder who brought the asymmetric local election discourse to be an option in the election agenda in Indonesia.

### **Closing Notes and Recommendations**

Transforming the facts into indicators of the various aspects above becomes important in order to avoid the latency of multiple interpretations toward the asymmetrical concept discussed by Mendagri. Inaccuracy in understanding every aspects has the potential to present the asymmetrical local elections that are far from its main goal, which is the different implementation, yet accurate on what needed in every regions. In fact, this can lead to the presence of an unfair election implementation when the asymmetrical concept does not bring together all the distinguishing elements in the region.

Nonetheless, if the regional uniqueness is not followed up, for example by clustering, then the asymmetric local election scheme as implemented in five regions in Indonesia is very likely to be an operational form of the asymmetric concept brought by Mendagri. Then, this raises new problems because the uniqueness stands alone for each region. In the end, will everything be totally different in carrying out elections, such as in Jakarta, Yogyakarta, Aceh and Papua? It is certain that the floods of regulations will approach the central government, who in fact is trying to simplify the overlap regulation through the Omnibus Law concept.

Because the asymmetrical local election discourse is unrealistic to be implemented in the 2020 elections, then the time available should be utilized optimally. Mendagri should formulate the intended asymmetrical local election, not only to facilitate the implementation process, but also to clarify the reasons why the asymmetrical local election scheme have to be applied. Certainly, these reasons must be accompanied by empirical facts from the community, whose conditions will move towards a better direction with the implementation of asymmetrical elections on the electoral agenda.

Even if needed, Mendagri could take a detour before starting to explore every aspects and compile indicators in the regions as an effort to realize the proposed asymmetrical elections. The effort should be carried out by evaluating political parties as participants in the elections. This is certainly in line with the Mendagri's argument, which states that one of the inputs for evaluating the local elections is the high-cost political candidacy for regional leaders. Such apprehension should be able to deliver the process of evaluation not

only at the level of the electoral system, but also inputting political parties into the blueprint of elections reform.

**- Rifqi Rachman -**

*The inability to grasp the diversity on numerous aspects at regional level will potentially create an asymmetrical local election that is far from its objectives. Furthermore, such conditions could lead to unfair implementations of local elections, if the concept of asymmetrical does not success in gathering all of the differentiators at the regional level.*

## Awaiting Transmission of Decrease in Credit Interests

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Nearly eighty years ago Keynes said, “if the facts change, I change my mind.” Keynes is right. We must be flexible enough to anticipate changes. So many unpredictable things happen. A few years earlier, the world was predicted to experience rapid progress with rapid economic growth. But, like a lightning in a broad daylight, during the past two years the world has been shrouded in global uncertainty.

Starting with the unclear American-Chinese trade relations, coupled with the American-Iranian geopolitical tensions, to the recent outbreak of the Coronavirus. These phenomena seem to indicate that the Winter is Coming has started. Not surprisingly, many countries in the world have to prepare enough supplies to face the winter.

### **The Central Bank’s Response**

From within the country, Bank Indonesia (BI) also plays a role in preparing provisions. BI continues to send responsive signals to continue to spur economic growth in Indonesia. Actually, economic growth is not the main task of BI. But, BI still shows its concerns. The positive response emitted by BI is expected to increase the optimism of all economic actors to remain confident in facing the current situation (*Kuncoro, 2020*).

In February this year, BI cut its benchmark interest rate (BI 7Days Reverse Repo Rate / BI 7DRRR) five times, to 4.75 percent. In the BI logic, cutting the benchmark interest rate will reduce deposit rates, which will then push down lending rates. A reduction in lending rates will also reduce the costs of capital for companies to invest. The next round will increase consumption and investment activities. The echo of the ultimate goal will have an impact on the acceleration of national economic recovery (*Putri, 2016*).

From a theoretical perspective, the decrease in the reference rate, in this case the BI 7 DRRR as a reference interest rate, will have an impact on bank interest rates. However, at a practical level, the effectiveness of reducing the BI repo rate in suppressing bank interest rates is highly dependent on the degree of interest rate pass-through (*Kuncoro, 2017*).

The degree of interest rate pass-through itself measures how responsive banks are in setting interest rates. In the case of a complete (or perfect) pass-through degree, the reduction in the BI 7DRRR will be offset by a decrease in bank interest rates with the magnitude of the decrease proportional to the reduction in the BI 7DRRR. In other words, the speed and fullness of the pass-through from the official interest rates to the money market and banking have become the power of monetary policy transmission (*De Bondt, 2002*).

According to a study from Tai, Sek, & Har (2012), in general, in Indonesia, a policy transmission from money market interest rates to credit interest rates and deposit interest rates requires a relatively long time and have a small size of pass-through if compared with Malaysia and Singapore. This shows that monetary authorities in Indonesia cannot effectively control market interest rates through official interest rates (policy rates) in achieving targeted policy targets, as the presence of imperfect financial markets is characterized by a lack of integration in financial markets.

The above thesis is also supported by the fact of the BI Money Circulation data in December 2019. The data showed that the weighted average lending rate only dropped by 7 basis points to 10.50 percent compared to 10.57 percent in the previous month (*Kontan.com, 2020*). A decrease in lending rates that was much smaller than the BI 7DRRR cuts resulted in a dichotomy between the monetary sector and the real sector.

Even though benchmark interest rates have fallen, however, the real sector remains stationary because the pass-through degree does not work perfectly when the benchmark interest rate cut by BI. As a result, BI's efforts to push economic growth have been not optimal, as banks tend to be defensive.

### **Causes and Effects**

Then, a question arises: What causes the behavior of Indonesian banks to be insensitive to the signal of a decrease in the BI benchmark interest rate?

From a micro perspective, according to a study conducted by Puji-anti and Sitorus (2016), from the calculation of the HHI index value, it appears that the oligopoly market structure occurs in the banking industry in Indonesia. This research was supported by Ratna Sri W and Boedi Armanto (2013), and Rizky Yударuddin (2014).

Five formal characteristics of oligopoly according to Muhammad Teguh (2010) are: many companies operate but few control the market, homogeneous products, price-determining producers, barriers to entering and leaving the market, and producers who maximize profits. These characteristics have also been proven to occur in the Indonesian banking industry.

As a result of this oligopoly banking market structure, small banks make decisions in accordance with large banks, considering that in Indonesia large banks are still the Mecca for small banks. The flexibility of the Indonesian banking system to the benchmark interest rate (BI-7DRRR), which is still persistent, has made Indonesian banks not dynamic in setting interest rates.

Furthermore, to make decisions in setting interest rates, banks are usually also influenced by various determinants, such as transaction costs, inflation risks, depreciation, and especially the characteristics of the debtor (*Boediono, 1980*). Risks involving the debtor profile are commonly known by the 5C principle; namely, character, capacity, capital, collateral, and condition of the economy. All these risks are borne by the debtor as a premium, which in turn creates high-interest rates to avoid bad credit.

### **Recommendations**

With this problematic scheme, here are some recommendations that can be made. First, looking at banking structures that tend to be an oligopoly, then to improve banking efficiency, it is important to have close supervision of banking practices and activities so as not to result in violations of banking competition, such as the emergence of banks with dominant positions.

Furthermore, the next step also requires a trigger to be carried out especially by several large banks, such as state-owned banks as a benchmark for small and medium scale banks to change their banking structure.

Once again, competition in the banking industry is important. This is because all forms of market failure and anti-competitive behavior

will have a significant influence on production efficiency, public welfare (consumer welfare) and economic growth (*Athoillah, 2010*).

Second, to improve banking efficiency can also be achieved by cutting transaction costs. One way to reduce the costs of banking transactions is to take advantage of advances in digital technology, where transactions both deposits and credit are carried out digitally, as do the fintech (financial technology) actors. Thus, this will save the costs of building branches or buildings and ATMs.

Third, in terms of macroeconomics, monetary authorities must continue to manage the risk of inflation that will occur. Inflation risk itself can be calculated to maintain the real interest rates enjoyed by banks. Depreciation risk is considered as a lost opportunity (opportunity cost) if funds channeled to domestic debtors are lent to other parties in foreign currency denominations.

In the end, the decline in benchmark interest must also be accompanied by changes in the structure of the banking industry, increased banking efficiency and safeguarding in macroeconomic aspects. That way, BI's efforts in preparing lunch through this winter can be well packaged.

**- M. Rifki Fadilah -**

***Keynes is right. We must be flexible enough to anticipate changes. What is there to fear if the Winter is Coming is happening now? All countries are armed. From within the country, Bank Indonesia (BI) also plays a role.***

## Questioning the Polemics over Sugar Price Increase

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Let us for a moment leave the macroeconomic issues that are lurking in the world economy. From within the country, the issue of rising sugar prices also deserves attention. Because, according to the data from the National Strategic Food Price Information Center (PIHPS), the national average price of sugar per Friday (28/2/2020) has reached Rp14,900 per kg. This figure increased by Rp300 from Monday last week (02/17/2020), which was at a level of Rp14,600 per kg (*Kontan.co.id*, 02/03).

Of course, the price of sugar in this market is already much higher than the reference price of the price (ceiling price) at the consumer level at a level of Rp 12,500 / kg, following the issuance of Regulation of the Minister of Trade No. 7 of 2020 concerning Reference Prices for Purchases at Farmer Level and Sales Reference Prices at the Consumer Level.

### **From a theory to empirical evidence**

So, what causes the price of sugar to soar? Of course, we can analyze it by using a supply-demand theory analysis.

In principle, if there is an increase in the price of goods and services, which is caused by a disruption in the supply side that is not able to keep up with the demand side, these goods and services seem to experience scarcity. As a result, the prices of these goods and services will rise higher than the prices of the previous balance. To prove this theory, let us look at how this theory works for the case of sugar in Indonesia.

The community's demand for sugar can be measured by the indicators of Indonesian people's sugar consumption. According to the 2017-2021 Indonesian Sugar Production, Consumption and Balance Sheet issued by the Ministry of Agriculture, domestic sugar consumption in 2018 reached a level of 5.01 million tons, while do-

mestic production was only able to produce 2.4 million tons. With this calculation, the sugar balance deficit reached 2.6 million tons. Previously, in 2017 it was projected to reach 5.07 million tons, while production was only 2.47 million tons. As a result, the sugar balance experienced a deficit of 2.6 million tons. Furthermore, sugar consumption is projected to continue to increase to 5.26 million tons in 2021. Meanwhile, production will only reach 2.48 million tons, resulting in a deficit of 2.78 million tons.

As a result, the price of sugar soared. According to the data from the Central Statistics Agency (BPS), the national average price for white crystal sugar in Indonesia reached Rp12,386 per kg in 2018. This figure was almost three times higher than the world price, which was Rp4,591.48 in the period the same (*International Sugar Organization, 2018*).

The classical theory is indeed very powerful to explain the phenomena that occur. This year, again the problem of soaring sugar prices is caused by a lack of supply of sugar in the market. Based on information compiled, the Ministry of Trade has admitted that the supply side is still facing obstacles because the milling season has not yet begun. The milling season itself is expected to take place at the end of May 2020, where new products will enter the market in July 2020 (*Kontan.com, 01/03*).

The high prices certainly have an impact on consumers and the food and beverage industry. Some food and beverage factories have been shocked since the beginning of 2020 because of the thinning sugar stock, causing some factories to stop operating temporarily because they ran out of sweetener raw materials (*Antaranews.com, 20/02*). Not only that it is ironic, it also affects those who work in the agricultural sector because two-thirds of them are consumers who are also disadvantaged by the expensive price of sugar. As explained above, one of the problems causing sugar prices to soar is that domestic sugar production has not been able to support domestic sugar needs. According to the data from the United States Department of Agriculture (USDA) 2018, the productivity of sugar cane plantations in Indonesia only reached 68.29 tons per hectare in 2017. This number was lower than other sugar-producing countries, such as Brazil which amounted to 68.94 tons per hectare and India which amounted to 70.02 tons per hectare in the same period. One reason for this is the discrepancy between sugarcane varieties and the available agricultural locations. Not to mention the problem of a shortage of workers who can apply sugarcane cultivation techniques appropriately and weak oversight of the use of agricultural

subsidies (*Ministry of Trade, 2014*). This, of course, has contributed to the government's unsuccessful efforts from the on-farm site in increasing the productivity of domestic sugar cane as stipulated in Permentan No. 53/2015 on Good Ground Sugarcane Cultivation Guidelines.

### **Looking at the Import Policy**

To overcome the lack of domestic sugar supply, through Regulation of the Minister of Trade (Permendag) No. 117 2015, the Government of Indonesia has adopted an import policy to stabilize the price of sugar (Article 4). Furthermore, Article 3 of the regulation stipulates that the quantity of imported sugar is determined through a ministerial coordination meeting. Meanwhile, Article 5 paragraph (2) states that sugar import licenses are only intended for State-Owned Enterprises (SOEs) that have a General Importer Identification Number (API-U).

Unfortunately, in my opinion, this regulation makes the import mechanism run ineffective. This is because space for the government to intervene in the market is too large. For example, in this regulation, the government takes over too much policy to control the quantity of imported sugar.

The method used by the government to limit imports can be pursued through a quota system or by minimizing the role of the private sector in sugar import activities. With the large portion of government intervention to regulate imports, this makes the level of competition in obtaining import licenses uncompetitive. Licensing of imported sugar imports granted by the government is often restrained at the Ministry of Trade.

For example, this year the decision to import sugar for household consumption was taken at a coordination meeting in September 2019 and still had no further action until mid-February, instead of diversifying import supplies (*Tempo Magazine, 15/02*). As a result, usually the granting of import licenses from the government to the private sector is often given when the domestic sugar industry has entered the harvest period. (*CIPS, 2018*).

### **Policy Recommendations**

To overcome this problem, here are some policy recommendations that can be taken. First, deregulation of import licensing. The trick is to open the import permit tap to the qualified private importers. However, the government must also pay close attention to the

rule of the game to prevent the occurrence of unhealthy cartel and game practices by private importers.

Also, the government must be transparent and open to provide public information about the procedures and processes for obtaining this import license. By opening market access to private players, the level of competition in obtaining import licenses becomes more competitive and more open to meet the needs of the domestic market with good quality sugar at affordable prices for consumers in Indonesia.

Indeed this is not a populist policy to encourage sugar cane farmers. Like taking medicine, the policy will taste bitter in the beginning, but if done correctly, this policy will be able to reduce the dead-weight loss of consumers in the market.

Second, increasing the productivity of sugar cane and revitalizing the sugar factory. One way to increase productivity is to improve the technology. Therefore, in the medium term, the government needs to provide incentives in the form of more sophisticated production equipment to improve efficiency and improve the yield of sugarcane farmers.

From the sugar manufacturer's point of view, the private sugar manufacturers can upgrade the technology they use to process sugar cane into more efficient sugar; for example, by renewing capital in the form of more sophisticated machines to increase the output produced.

Third, there is one thing that is more important than improving technology; namely, the modernization of human resources (factory workers and sugar cane farmers). By modernizing these human resources, technological progress will seep in (embodied technology) and encourage increased efficiency.

One way that can be done is to provide incentives in the form of training and education to develop ways of production and farming. Thus, the productivity of workers in sugar mills and sugarcane farmers' yields will increase along with the increase in technological progress. This effort requires quite a long time.

Therefore, a political will from the government is needed to improve the productivity and quality of sugar produced domestically, while

encouraging a competitive and open market to meet the needs of sugar with maintained quality and affordable prices.

**- M. Rifki Fadilah -**

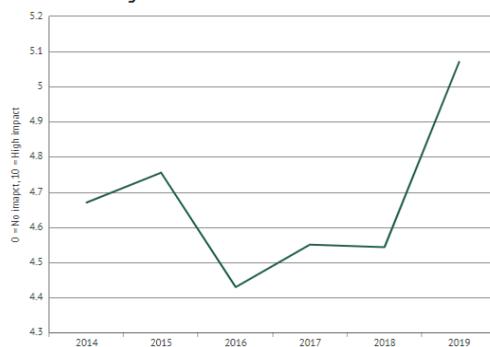
*For a moment, let us leave the macroeconomic issues that are lurking in the world economy. From within the country, the issue of rising sugar prices also deserves attention. The complexity of the sugar industry and market also requires the seriousness of the government and relevant stakeholders to commit to meeting the needs of the domestic sugar market with good quality and affordable prices.*

## Ghosts of Radicalism in 2020

The Institute for Economics & Peace in November released the Global Terrorism Index (GTI) for 2019. Interestingly, Indonesia's GTI score increased quite dramatically from previous years. If in 2017 and 2018, Indonesia's GTI scores tended to be stagnant in the range of 4.55 and 4.54, in 2019 the figure jumped to 5.07. This is the highest number that has been achieved by Indonesia so far.

### Development of the 2014-2019 Indonesian GTI Scores

What is Indonesia global terrorism index?



DATE	VALUE	CHANGE, %
2019	5.07	11.60 %
2018	4.54	-0.15 %
2017	4.55	2.73 %
2016	4.43	-6.86 %
2015	4.76	1.82 %
2014	4.67	

Source: Institute for Economics & Peace, 2019.

This increase, of course, was also followed by an increase in the ranking of Indonesian terrorism in the eyes of the world. If initially it was ranked 42 in 2017 and 2018, then in 2019 Indonesia was ranked 45 globally.

Meanwhile, at the Asia Pacific level, Indonesia was ranked 4th, far from Malaysia, which had a GTI score of 2.49) and Singapore (0.0). Not only that, Indonesia was even listed as one of the top 10 countries in the world with the highest death toll from terrorism crimes.

### Growing Radicalism

The high number and ranking cannot be separated from the level of penetration of radicalism that is currently flourishing and spreading.

This indication, at least can be seen from a number of surveys that have actually been conducted since 2017. The survey was conducted by Alvara Research Center on 10 September - 5 October 2017. In the survey, 29.6% of professionals (from 300 Civil Servants (PNS) respondents, 500 employees of State-Owned Enterprises (BUMN), and 400 private-employee respondents) showed that the attitude of agreeing to the views of an Islamic state needs to be fought for the application of Islam in a *Khilafah*. Furthermore, as many as 19.4% of civil servants, 18.1% of BUMN employees, and 9.1% of private employees even expressed their disapproval of Pancasila and preferred the ideology of the *Khilafah*.

Interestingly, it is not only professionals who have been indicated to be radical but also athletes, students, and even educational institutions. The survey results conducted by Alvara of 2,400 high school students in big cities and 1,800 students from 25 leading universities on September 1 to October 5, 2017, showed as many as 23.4% of high school students and 23.3% of students, had agreed or were ready to strive for the sake of establishing an Islamic State or a caliphate.

A more astonishing finding can be seen from the results of a survey conducted by the Center for Islamic Studies and Society of the State Islamic University (PPIM UIN) Syarif Hidayatullah Jakarta on September 1 - October 7, 2017 on 1,522 students / students and 337 Muslim students born in the range of 1996 -2012 (generation Z) from 34 Provinces and 68 Regencies & Cities.

This survey revealed that 33.34% of the total respondents considered that intolerant behavior towards minorities was not a problem. Then, 37.71% of them also viewed that war is the only means to wage jihad, especially war against non-Muslims. Not only that, 23.35% considered that access to terror suicide bombings was part of Islamic jihad. Worst of all, 34.03% of them even considered that those who conduct apostasy must be killed.

Another thing that is no less alarming is the spread of radicalism through other institutions that is often go unnoticed, such as Penitentiaries (Lapas) for example. Prisons or prisons are basically expected to be a medium to isolate the actions and intentions of those who have been captured. In fact, it has become an ideal location for recruiting and has become “universities” in conducting learning related to terrorism.

So far, there are no quantitative data that clearly show how many terrorists have been formed as a result of direct or indirect interaction with prisons. However, the facts of suicide bombings that occurred in the range of 2016, 2017, 2018 to 2019, of course, have become more than just enough to answer that question. This can be seen in the Mapolresta Solo bombing case (2016), the Kampung Melayu East Jakarta bombing case (2017), the bombing of 3 churches in Surabaya (2018), and the suicide bombing at the Medan Polrestabas (2019).

#### Challenges and Obstacles to Prevent the Spread of Radicalism

The widespread of radicalism in society today is inseparable from the means of its spread. The most recent distribution is the use of the development of Internet-based Information Technology (IT). Some examples are social media platforms, such as Facebook, Twitter, and online messaging service applications, such as WhatsApp and so on. Through these platforms, radical propagators spread various propaganda tools in the forms of videos, discussion forums, websites, images, web links, retweets, likes and hashtags.

In addition, at the level of educational institutions, this is also exacerbated by the content and substance of the Islamic Religious Studies (PAI) book, which is no longer relevant and in accordance with the values of diversity. This can be seen from 48.95% of Generation Z respondents in the PPIM UIN survey Syarif Hidayatullah above, acknowledging that the PAI book is not uncommon as a factor influencing them not to associate with other religions.

There is a similar development in the prison management system in Indonesia. As a result of the absence of a strict separation between the special prisoners who commit criminal acts of terrorism and prisoners who commit other criminal acts.

Another factor is that the efforts to prevent the spread of radicalism carried out by government agencies are not ineffective. The actions taken so far are still carried out sporadically, individually, limited to only one or two sectors and scope of the target.

This is inversely proportional to the mandate of Law Number 5/2018 on the amendments to Law Number 15/ 2003 on the Establishment of Government Regulations in lieu of Law Number 1/2002 9 on the Criminal Acts of Terrorism into Law (Act No. 5 of 2018 ), which in addition to having appointed the National Counterterrorism Agency (BNPT) as the leading sector, forms of pre-

venting radicalism have also been enriched and classified into three steps; namely, National Preparedness, Counter-Radicalization, and Deradicalization.

One inhibiting factor that has so far been able to be analyzed is that the government's response has been too slow in issuing the implementing regulations mandated to further regulate the implementation of prevention efforts. For an implementing regulation, it must be formed no later than 6 months after the Act or the parent regulation is enacted. Meanwhile Government Regulation Number 77 Year 2019 concerning Prevention of Terrorism and Protection of Investigators, Public Prosecutors, Judges and Correctional Officers (PP No. 77 of 2019) was seen after 17 months of Law no. 5 of 2018 was promulgated.

The same thing is also seen in the provisions of PP No. 77 of 2019, which still mandates the establishment of implementing regulations for BNPT to regulate various further procedures related to these prevention efforts. As of March 2020, this BNPT regulation seems to have yet to be seen published or promulgated to the public. This condition, of course, has made steps and efforts to prevent the spread of radicalism increasingly slow and ineffective.

While at the practical level, this can be caused by the synergy of duties and functions that are not yet optimal due to the attitudes and views of inter-ministerial and governmental policy makers who are still trapped in the mosaic of sectoral ego and silo mentality.

Another thing is the absence of definitive boundaries and definitions of the terminology of the word radical or radicalism itself. Its use so far has only been applied simply as the editor of a word that follows the term "terrorism", without being given clarity or at least definite limits to its use.

This problem certainly cannot be underestimated, as problem is not only related to a sense of language but contains meaning and actions. In every word there is meaning, and in every meaning there is an object represented, which in this case is millions of Indonesians. Wrong terms and wrong activities will certainly affect the designated targets.

So far, its use has been biased so that in some cases it has not only further confounded the transnational religious geopolitical sentiments in Indonesia, but also fostered and nourished the negative

stigma of terminology of radicalism, which is only tightened to “one” religion.

The most obvious example of the development and refraction of the meaning of radicalism is the use of the term radicalism in ordinary society. This is often only interpreted in the narrow sense of limited forms of religious symbolic expressions, such as trousers, robe and bearded clothing. In a democratic country, this is naturally commonplace as forms of freedom of expressions. Therefore, if left unchecked it is feared not only that Indonesia’s democratic system will be damaged, but also the values of diversity and the weaving of our nationality will be undermined.

### **Some recommendations that need to be discussed**

Based on the above descriptions, a number of recommendations can be made to overcome or at least minimize the spread of radicalism, the influence of the global terrorist radical movement, and its impact on Indonesia. *First*, to encourage active supervision of radicalism content in social media, while carrying out digital literacy continuously and continuously by means of preventing counter radicalization, such as counter narratives, counter propaganda, and counter ideologies in the wider community;

*Second*, to encourage improvements to PAI modules or books as circulated in Educational institutions, by updating and enriching the substance of the material by introducing the diversity of religions and beliefs. In addition, it should also be followed by an intention to develop an open, tolerant and inclusive religious education;

*Third*, encourage improvement in the prison or prison management system, by initiating a policy of separating terrorism prisoners from general prisoners based on assessment tools that can distinguish prisoners who are truly ideologists and those who are merely followers;

*Fourth*, to encourage integration of measures to prevent the spread of radicalism among ministries / government institutions, by making effective forms of coordination carried out by the BNPT and holding FGDs between officials of government ministries / agencies for the integration of national insights that can erode sectoral ego and silo mentality;

*Finally*, to encourage the existence of a strict definition of radical terminology or radicalism that is legally regulated by law and regu-

lated through the Law, with the substance of non-discriminatory restrictions and derived only from one teaching of belief or religion.

- **Muhammad Aulia Y Guzasiah** -

*The widespread spread of radicalism in society today is inseparable from the means of its spread. The most recent distribution is the use of the development of Internet-based Information Technology (IT).). Second, through the substance of learning material in educational institutions.*

## Draft Law Job Creation and Marginalized Environments

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Since the end of last year, the narrative of the rejection to the Omnibus law in the draft work bill (RUU) Job Creation has continued to roll and be in the news. This bill contains so many problems. Starting from the procedure that is far from the concept of the omnibus law itself to the substance or material content that contains various problematic regulatory formulations.

This paper tries to raise a theme or issue related to the environment, which unfortunately is also marginalized in the draft bill. In the interest of the economy and in the name of investment, a number of policies and permits, which are currently held to protect the environmental aspects of a business or activity, will later be negated through the draft bill.

### **The Degradation of Environmental and Forest Permits**

This can be seen in Article 23 Number 19 of the Draft Bill on Employment, which erases Article 40 of Law Number 32 1/2009 on Environmental Protection and Management (Law No. 32 of 2009). The article, as it is known, regulates and confirms environmental permits as the main prerequisites in obtaining a business or activity permit.

Furthermore, Article 18 of Law Number 41/1999 on Forestry (Law No. 41 of 1999) regulates a minimum limit of 30 percent of forest area that must be maintained for each watershed and / or island. This will be eliminated through Article 37. According to Article 36, this is regulated in order to provide convenience for businesses in obtaining business licenses and investment requirements from the forestry sector.

Not only that, the manager's responsibility for forest and land fire disasters has the potential to be eliminated through the editorial changes in the formulation of Article 49. Through Article 37 number 16 of the Draft Bill, permit holders will no longer explicitly

responsible for forest fires in their work areas. Instead, it is only explained that “they must carry out efforts to prevent and control forest fires”.

Meanwhile, if is examined deeper, this draft also has reduced the priority weight of Environmental Impact Analysis (EIA). Through Article 23 number 1, the EIA document is only used as a mere consideration document. Whereas, Law No. 32 of 2009 puts it as the main document determining the feasibility of business and / or activities. In fact, this document is only required for a business if it has an important impact according to the Government.

The provisions related to the preparation of the EIA are even amended in such a way that will have the opportunity to restrict public involvement. This can be seen in Article 23 (numbers 5 and 6), which only mentions that input suggestions and responses can only be given by people directly affected and relevant. In fact, there are certainly many businesses and / or activities that have indirect impacts, such as the loss of water sources due to mining for cement, and so on.

In addition, the regulation also limits the role of environmental institutions or activists in monitoring or assisting the community during the permit process and in operating the business and / or activity. Considering the conditions of today’s society, it is not yet widely understood the law and risks due to exploitation of the environment around them.

### **Reckless Illegal Mining Concessions**

Another problem that must be highlighted at least in this draft bill is the management authority and the duration of mining production operations. In Article 39 number 2 that changes the formulation of Article 4 of Law Number 4/2009 concerning Mining and Coal (Law No. 4/2009), the implementation of the control of minerals and coal by the state no longer involves the local government, but it is only carried out singly by Central Government alone.

This is then manifested in Article 40 number 4, which removes Article 7 and Article 8 of Law no. 4/2009 which previously regulates the authority of provincial and district / city regional governments in the management of mineral and coal mining. Instead, Article 40 number 3 of the draft bill will then change the formulation of Article 6 of Law No. 4/2009, which emphasizes that all mining-related licenses can only be granted by the central government; in other words, by the president as the holder of government powers.

The permit further explains that it can be granted to all national mining jurisdictions, without further enacting the territorial principles or strata of government between regions. This clearly brings back opportunities and threats in the implementations of regional government towards centralization. Surely this will also seriously damage regional autonomy regulated in Article 18 of the 1945 Constitution.

The polemics over the draft of the Manpower Draft Bill related to mining management also occur in the event of changes in the terms of the period of production operations. This can be seen in the latest mining production operation permit, which is given to a mining business sector that is integrated with mineral processing and refining activities and integrated with coal development and utilization activities.

In Article 40 (numbers 13 and 24), which amends and adds to the provisions of Article 47 and Article 83 of Law no. 4/2009, production operation permits for the two sectors can each be granted with an operating period of 30 years and can be extended every 10 years. This provision is basically the same as not providing a limitation on the mining period.

This can be reasoned simply because mining permits can continue to be granted and extended as long as mining goods have not been depleted. Even though if we look closely and compare with the previous rules, the extension of mining permits can only be done twice. This is clearly very likely to disrupt environmental sustainability and will cause prolonged destructive force.

### **The Failures in Regulation Formulation and the Third Type Errors**

The arrangements for the sake of this problematic arrangement obviously can not be separated from the political will or intention of political constituents and from the procedures for its preparation. In the teachings of Political Law, these two things certainly have a certain relevance that will not be considered just a mere wind, without being seen as the deciding factor behind the formation of a statutory regulation. There is no exception to the Work Cipta Bill, whose drafting was discussed using the omnibus law concept method.

The public certainly has not forgotten that the draft, which was previously not directly accessible, has suddenly spread out in early

2020. Moreover, a member of the draft task force team has filed a complaint to the Ombudsman for being asked to sign an approval letter to keep the material and contents of the draft confidential (*nasional.tempo.co, 2/15*).

Thus, from the substance of the problematic regulation, the public can certainly know that there is something unusual about the procedures of its preparations. From the unusual procedures, obviously, there are hidden intentions. What kinds of intentions? The public can judge by looking directly at the drama during the preparations of various formulations of this problematic arrangement.

It is difficult to say that this bill is actually arranged to promote public interest and the livelihood of many people. For that reason, as a recommendation, this bill must be reviewed by allowing for transparent and broad participation from various groups. One thing that can be done is to ensure an open process and public involvement in the discussion process. Currently this bill is deliberated in the DPR Legislative Body.

It is very important to ensure that all issues contained in the bill can be seriously considered in the DPR. Thus, the Omnibus Law Bill, on the other hand, should have positive aspects that can be improved and responsive to existing inputs and criticism, as well as getting broad public support from various stakeholders, before being passed into law.

At the very least, this can be a medium to straighten out the process of being trapped in “Third-Type Errors”, or as translated by Dunn (2003) as “mistakes that occur for the wrong solution to the wrong problems”. In this case, the problems are economic interests are the ease of doing business and investing in Indonesia. The problems need to be addressed in the context of the complexity of the problems in other public policy issues, including in this case, the environment.

**- Muhammad Aulia Y Guzasiah -**

*It is difficult to say that this bill is actually arranged to promote public interest and the livelihood of many people. Therefore, as a recommendation, this bill should be reviewed by allowing for participation from various groups.*

## Criminal Code Measures against Law Enforcement of Mask Hoardings

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Two Indonesian citizens (WNI) were confirmed positive for the corona virus. The news was announced directly by President Joko Widodo. Jokowi announced the news of Indonesian citizens being exposed at the Merdeka Palace, Jakarta, Monday (2/3/2020). At the press conference, Jokowi was accompanied by Minister of Health Terawan Agus Putranto, State Secretary Pratikno and Secretary of the Cabinet Pramono Anung (*news.detik.com. 2/3*)

After the press conference conducted by the President, the public was involved in panic buying, including buying masks and anti-septic fluids to prevent transmission of the corona virus. As a result, masks and antiseptic liquids on the market in recent days have become much more expensive and rare.

Those are not the only cases involving the hoarders of masks and antiseptic. Until now, the Indonesian National Police has also handled 12 cases of accumulation of masks and hand sanitizers in a number of areas, such as Jakarta, Bekasi, South Tangerang, Depok, West Java, East Java, Central Java, Banten, Riau Islands, South Sulawesi, West Kalimantan, and East Kalimantan. Of the 12 cases, the police have arrested and named 25 people as suspects (*Nasional.tempo.co. 7/3*).

### Regulatory Problems

The legal actions against the mask hoarding perpetrators are the follow-ups to President Jokowi's instructions to the National Police Chief, Police General Idham Azis, to take actions against those who hoard masks and sell them at high prices.

The police will ensnare the perpetrators with Article 107 of Law Number 7/2014 on Trade with a maximum penalty of five years in prison and a maximum fine of Rp 50 billion (*katadata.co.id. 5/3*). This article is a sanction and a fine that will be imposed on someone who violates Article 29 of the Act.

Referring to Article 29 of the Law on Commerce, there are prohibitions for someone who stores basic needs or essential goods in big amounts. The basic needs or certain goods are also included in the category of being scarce or experiencing price fluctuations or being in the midst of trade traffic.

Meanwhile, an explanation of the basic needs and important goods has been detailed in Presidential Regulation No. 71 of 2015. There are three important types of goods according to the Presidential decree; namely, agricultural products, industrial staples, livestock and fishery products and fertilizer seeds. Meanwhile, important items are materials that help smooth development.

The legal basis used by the police to arrest and detain mask hoarders seems to have to be thought about again. Masks and hand sanitizers are necessities that are not included in the Basic Needs and Essential Ingredients in the Presidential Regulation. The link between criminal enforcement and sanctions for hoarders of staple goods and important items like them is difficult to be attached to the mask hoarders.

This relates to criminal threats, as the criminal law always adheres to the principle of legality therein. The principle of legality is the principle of legal certainty that is explicitly regulated in Article 1 paragraph (1) of the Criminal Code (KUHP). This reads “An act cannot be convicted, except based on the strength of existing criminal law provisions”. Furthermore, in the context of national criminal law the measure of the validity of the principle of legality includes *lex scripta* or based on written law and *lex certa* or cannot be expanded.

As an affirmation, Adami Chazawi (2009), in his book noted that the Act only criminalizes someone who commits an act, if the act has been listed in the legislation as a prohibited act (meaning containing a reprehensible or against the law). Only actions labeled as such are prohibited and the perpetrators can be convicted.

In this case, the law cannot prohibit public prosecutors and law enforcement from bringing a suspect to court in the case of a criminal act. However, it should be remembered that the criminal law prohibits the interpretation of analogies that can cause a person to be unable to prosecute because there is no law governing it.

### Preventive Steps

There are gaps and quick steps if you want to impose a ban on hoarding goods in these conditions. Article 2 paragraph (7) of the Presidential Regulation allows changes to basic needs and important goods based on the Minister's proposal after coordinating with the minister / head of the relevant non-ministerial government institution. In critical conditions and situations, the President can determine the needs related to the epidemic that is being faced as well as indicating that all health needs in tackling the outbreak become staples and important ingredients.

Corona Virus has been the world's problem for two months. Indonesia should be able to take preventative measures, not only in terms of handling and medical readiness, but also the availability of medical equipment. Although the Government has firmly appealed to elements not to use this kind of momentum to profit and monopolize the market, there should be supervision. This supervision should be repressive through the imposition of criminal sanctions that have a clear legal umbrella, which can also have a deterrent effect on persons who dare to take advantage of the situation.

This incident should be used as an evaluation by the government and other law enforcement agencies to give birth to legal products related to the practice of hoarding goods in an emergency situation. This can avoid the problem itself in law enforcement. From the perspective of policy criminal (criminal policy), the use of law of criminal unmeasured will lead to criminalization of acts or subject that should not be necessary in the criminalization (over-criminalization).

**- Farhana Nabila Hanifah - (Researcher Intern in Law Field)**

*The use of law of criminal unmeasured will lead to criminalization of acts or subject that should not be necessary in the criminalization (over-criminalization).*

## Encouraging the Effectiveness of Penta Helix Collaboration to Overcome of Jakarta Floods

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Development without giving attention to the study of spatial planning and territories has had a negative impact on Jakarta's conditions. Problems like bad drainage system and less rainwater absorption of areas have caused flooding problems to get worse this year. New locations of flooding have also appeared. Collaboration to overcome flooding needs to be done. Flooding has many undesirable effects.

### **The Penta Helix Collaboration Practice and the Process**

As the capital city, which is the center of government, Jakarta is still struggling with the flooding problems. In the effort to overcome floods, the government has practiced the penta helix model as a basis for collaboration. Collaboration occurs because a number of actors involved in preventing the floods and in doing the post-flood recovery activities have the limitations. Therefore, collaboration has become a very urgent need.

Penta helix is a multi-stakeholder model for optimizing disaster mitigation and management (*smartcity.jakarta.go.id, 30/01*). The penta helix model is also considered to reduce the tendency of people to be too dependent on the government in dealing with problems around them (*bnpb.go.id, 22/02*). In the penta helix collaboration, we divide actors into five categories. Government, businesspeople, and the community are the three main actors. Two other actors are academics and the media.

In the effort to deal with floods, the Jakarta Provincial Government (Pemprov DKI) has invited many parties. However, looking at the practice of government collaboration with non-governmental actors at this time, it does not fully guarantee that the problems of

floods can be handled optimally. If compared with the data on the losses due to floods since 2002, the losses in 2020 was the lowest at a level of around Rp. 960 billion (*beritasatu.com*, 28/02). Bank Indonesia (BI) DKI collected the data from business associations. However, that amount did not include the losses sustained by other communities.

The Head of the Rehabilitation and Reconstruction Division of DKI Jakarta Regional Disaster Management Agency (BPBD), M. Ridwan, said that the BPBD as a disaster command center in Jakarta has coordinated with various parties, such as the Social Agency (Dinas Sosial), the Fire and Rescue Agency, the Manpower and Transmigration Agency (Dinas Tenaga Kerja dan Transmigrasi), until the Civil Service Police Unit (Satpol PP) and Jakarta Smart City (JSC) as floods reporting centers. This was revealed on Ngobrol Jakarta #14 at JSCHive by CoHive, Karet Kuningan.

Observing the role of JSC in the use of technology, information flows and flood preparedness are now better. For example, there has been the development of Flood Monitor and Jakarta Now (JAKI) with the JakPantau feature through which the community can also provide responses or submit reports. It is also known that Pemprov DKI is collaborating with Aksi Cepat Tanggap (ACT) in providing assistance to affected communities.

In addition, the DKI Jakarta Water Resources Agency (SDA Agency) continues to collaborate and improve synergy with the Ciliwung Cisadane River Basin Agency (BBWSCC) to resolve the flood problems in Jakarta. One of them is by speeding up the normalization and naturalization of rivers as well as the work of the Ciliwung passage lines deliberately made to divert some of the water load to another place (*republika.co.id*, 02/03). Furthermore, the Head of SDA Agency, Juaini Yusuf, conveyed that the flood problems need to be resolved from the upstream to downstream. The SDA Agency still needs to focus on efforts to prevent and handle floods in Jakarta based on their tasks and functions.

### Several Recommendations

Collaboration requires sustainability. Through collaboration with JSC, it is easier for the government to monitor Jakarta's flood conditions. The media has also participated in reporting the flood news quickly. For example, cooperation with ACT also acceler-

ates the distribution of aid for flood victims. BPBD also cooperates with many parties in providing flood posts. However, seriousness is needed in the prevention or preparedness efforts. Here are a few recommendations.

*First*, increasing community participation in the efforts to deal with floods. Rainfall will still peak this month (kompas.com, 10/03). Seeing the efforts made, the intervention of DKI Jakarta regional apparatus is still very dominant in the efforts to deal with floods.

According to Law Number 24/2007, mitigation is a series of efforts to reduce disaster risks, through physical developmentz awareness raising, and improving capacity to face the threats of disasters. In addition to the normalization of Ciliwung River, physical development is being carried out by accelerating the construction of the Sukamahi and Ciawi Dams.

In addition, the penta helix implementation model should also prioritize community involvement so that it does not only participate when floods come. However, awareness should also be given so that all community members are always ready, knowing what to do before when and after the floods (unesco.org, 2007). In this case, preparedness training must be carried out evenly in flooded or potentially flooded areas.

Awareness can also be done through direct information dissemination or utilizing the media in terms of protecting the environment; for example, giving an understanding of the importance of disposing of rubbish in a place that has been provided. In short, disaster mitigation efforts need to be reviewed so that they can direct the community to play more active role.

*Second*, maximizing the role of BPBD as the leading sector in guiding collaboration. The plan is for the DKI Jakarta Regional House of Representatives (DPRD) to form a special committee (pansus) on floods. This plan needs to be reviewed. The evaluation of collaboration should be done first to see the urgency of forming a special committee. This includes reviewing the task division management, task mapping and the evaluation of each performance.

The point is that flood collaborative through penta helix model will be maximized if each actor becomes more aware of his or her role and improves his or her performance. The government also needs to provide encouragement and training so that the community also plays an active role.

- **Vunny Wijaya** -

*In the effort to deal with floods, the government has practiced the penta helix model as a base for collaboration. However, increasing the active role of the community still needs to be done.*

## The 2020 Population Census and Open Government in Indonesia

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The 2020 Population Census (SP2020) has begun. This stage begins with an online census. This stage is carried out between 15 February and 31 March 2020. Meanwhile, the offline census stage will be held simultaneously in July 2020.

According to Law No. 16/1997 on Statistics, a census is a way of collecting data that is carried out through the enumeration of all population units in the entire territory of the Republic of Indonesia to obtain the characteristics of a population at a particular time.

Article 8 states that a census is conducted at least once every 10 years. Prior to 2020, Indonesia had conducted censuses in 1961, 1971, 1980, 1990, 2000, and 2010. The purpose of the census itself, when referring to Article 4 of the Statistics Law above, is to provide complete, accurate and complete statistical data. It is also carried out to realize a reliable, effective and efficient National Statistics System (SSN) to support national development. But unfortunately, this goal has not been achieved until now.

### **Data Governance Issues in Indonesia**

Often the existence of data is ignored in the policy-making process. Even the data owned by the Government overlaps between one Ministry agency and the other Ministries.

This was what President Joko Widodo (Jokowi) has complained about in the last cabinet period. Jokowi said that there had been a lot of confusion and inaccuracy in a number of data and information from various ministries and institutions. This has become one of the causes of the inadequate implementation of policies issued by the government. One of the keys to a country in order to win global competition and competition is to have strategic, accurate and quality data and information (*katadata.co.id*, 26/4/2016).

Jokowi had complained since he first served as Head of State. When requesting data, for example regarding poverty, the data provided there are various versions. Data held by the Ministry of Health (Kemkes), the Ministry of Social Affairs (Ministry of Social Affairs), and the Central Statistics Agency (BPS) differ. This makes it difficult to formulate or decide on policies regarding poverty (*katadata.co.id*, 26/4/2016).

Jokowi also pointed out other issues, such as data on rice production which differed from a number of agencies. As a result, the government has difficulties in deciding whether to import rice or not. He said that data should have been delivered in a tangible and explicit way. Is the production able to meet domestic needs, or even a deficit? (*katadata.co.id*, 4/26/2016).

The issue of data accuracy is not only an issue for the Government. The issue also has an impact on parties outside the government, such as civil society groups, academics, and even business actors.

For example, for the needs of scientific research, researchers can access and process policy-related data that is studied from the government portal, and use it as material for analysis and process it in visual form for policy presentation and advocacy.

Another example is that business actors can process publicly available data, such as the availability of land to set up factories, information about commodity prices that are commonly consumed by the community, and data and information related to the market, as a reference in making business plans. Therefore, taking into account the above problems, in June 2019 the Government finally issued Presidential Regulation (Perpres) Number 39/ 2019 on One Indonesian Data.

### **One Data and Open Government Program**

According to Presidential Decree No. 39 of 2019, Satu Data Indonesia is a government data management policy to produce data that is accurate, current, integrated, and can be accounted for, and is easily accessed and shared between Central Agencies and Regional Agencies.

One data also encourages the openness and transparency of data so as to create planning and formulation of development policies based on data. Apart from being the basis for making policy for national development, the one data program is also in line with the objectives of the open government paradigm concept.

According to Harisson, et al (2012), open government is based on several principles; namely, transparency, participation, and collaboration. Meanwhile, Geiger and von Lucke (2012) sharpen by stating that open government is a concept of governance, which emphasizes the implementation of the principles of transparency, participation, and collaboration between the state, civil society, and the private sector.

By emphasizing these three principles, open government can provide space for people to monitor and influence the public policy-making process. With notes, the public can access public information in full with the development of existing technology. Therefore, to implement the principle of open government must include open data, which of course must be preceded by good data governance.

Open data itself is a step to implement public data openness by maximizing information and communication technology. Open data can be seen as an important part of strengthening citizens' rights to get access to information.

However, it should be underlined, that the concept of open in open data offers not only the availability of data online, but also the accessibility for users to use, share, analyze or redistribute the data for free (*Stagars, 2016*).

The ability of open data to be accessed, downloaded, and shared easily without limitations is called interoperability. The ability of interoperable data, open data is believed to have the potential to be utilized as much as possible to improve the economy, help the effectiveness and efficiency of administrative activities, improve the quality of transparency and accountability, and increase the frequency of community participation in development (*Soegiono, 2017*).

Therefore, the success of the 2020 Population Census has become a vital aspect in the administration of data management to accelerate the realization of open government in Indonesia.

### **Closing**

The 2020 Population Census is a momentum to improve the quality of our data today. Good quality data can ultimately be utilized not only by the government, but also by the public and also business people.

For the Government, it is expected that the quality of data generated from the 2020 Population Census can assist in the policy making process and allocate resources effectively and improve performance efficiency.

In addition, for civil society groups and academics, the data generated from the 2020 Census can be used to actively participate in criticizing and input based on data to support national development.

Then for businesses, the data produced by the 2020 Population Census can be used to provide an overview and information on competitive business markets for the sustainability of the national economy.

**- Arfianto Purbolaksono -**

*The success of the 2020 Population Census will become a vital aspect in the administration of data management to accelerate the realization of open government in Indonesia..*

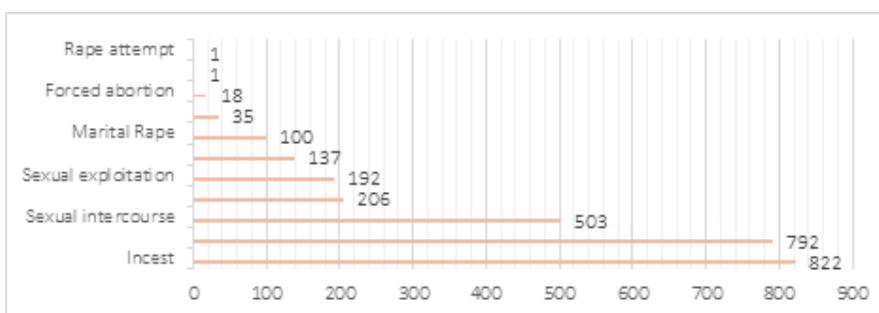
## The Increase in the Number of Sexual Violence Cases and the Need for Regulation

Cases of sexual violence inevitably cause their own horrors. According to the End of Year Note (Catahu) of the National Commission on Violence Against Women (*Komnas Perempuan*) in 2020, throughout 2019 there were 431,471 cases of violence against women in Indonesia. Of this number, 416,752 cases of violence against women were sourced from the Religious Courts, while 14,719 other cases were sourced from the Service Institution.

Of the 14,719 cases that entered *Komnas Perempuan*, the most prevalent violence was physical violence, with 4,783 cases, followed by sexual violence, with 2,807 cases. In the realm of community, the most prevalent violence was sexual violence, with 2,091 cases. If traced specifically, from 2,807 cases of sexual violence in the personal sphere, the biggest numbers of threats were incest, rape and intercourse. There were 822 incest cases, 792 rape cases, and 503 cases of intercourse. In addition, some interesting cases were the cases of marital rape (marital rape), which was quite high at 100 cases.

The following is a graphic description of cases of sexual violence in the personal domain:

**Graph 1. Sexual Violence in the Personal Domain**

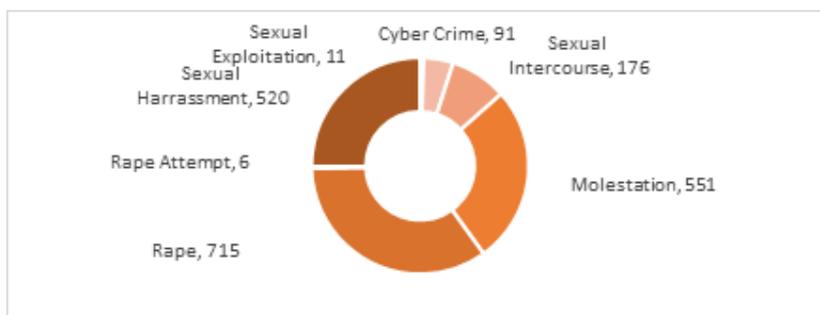


Source: Catahu *Komnas Perempuan*, 2020

In addition, in the realm of community, the highest numbers of sexual violence were rape cases, followed by sexual harassment and sexual abuse. There were 715 cases of rape during 2019, followed by 551 cases of sexual abuse, and 520 cases of sexual harassment that needed mutual attention. These figures indicate that public space raises vulnerability to the threat of sexual violence.

The following is a graphic of sexual violence in the realm of the community according to the Catahu 2020 Komnas Perempuan:

**Graph 2. Sexual Violence in the Community Domain**



Source: Catahu Komnas Perempuan, 2020

It has become interesting that there is an increasing trend of online gender-based violence or cybercrime. In the personal sphere, there is an increase in the number of online gender-based violence cases from 7 cases in 2018 to 35 cases in 2019.

Meanwhile, the number of online gender-based violence cases in the realm of the community was 91 cases. It was in the form of spreading pornographic content (non-consensual distribution of intimate images). In this particular type of violence, the number of complaints of online gender-based violence cases received by Komnas Perempuan reached 281 cases. This figure increased by almost 200 percent from 2018, which was still in the range of 97 cases.

One of the causes of the increasing number of online gender-based violence cases is the massive use of cyber technology. As a result, online gender-based violence cases also increasingly have a broad-spectrum coverage, both at personal and community levels. Worse, the high number of online gender-based violence cases currently do not go hand in hand with an increase in the capacity of service institutions, cybercrime handling mechanisms as well as adequate regulations that are able to cover them.

### **Awaiting the Handling of Sexual Violence Cases**

It is undeniable that from year to year, the number of cases recorded in the National Commission on Violence Against Women has shown a terrible trend. On the one hand, the high number of cases shows a trend that is getting worse, but on the other hand, that number also represents public awareness and knowledge about the mechanism of complaints and handling cases of violence against women.

Unfortunately, in the context of policy, this problem is still its own complexity. The coverage of sexual violence cases is only regulated by regulations that are still limited and partial. For example, the provisions relating to the form of rape cases are regulated in Article 285 of the Criminal Code. Meanwhile, the following articles (Articles 286-289) discuss much about “intercourse” even though conceptually it is still being debated.

Also, regarding the inclusion of rape and molestation into the chapter on “decency” crime, there is a tendency to obscure the meaning of rape, which is actually part of a crime against one’s body. In the above regulation, rape and sexual abuse as a form of sexual violence are dwarfed by paralleling it with violations of moral norms in society.

In addition, regulations governing sexual violence are also discussed in Law (Law) Number 17/2016 on the Stipulation of Laws in Lieu of Law Number 1 of 2016 on the Second Amendment to Law Number 23 of 2002 concerning Child Protection Becoming a Law. In this legislation, the most important emphasis is the effort to deal with sexual violence against children through the provision of criminal sanctions against perpetrators. However, it cannot be avoided that this regulation is still limited in the spectrum of forms of violence (sexual intercourse and sexual exploitation) and coverage of child victims.

Another problem that needs attention is the absurd handling of online gender-based violence. As is known, the vulnerability of victims of online gender-based violence is increasingly multiplied by the existence of Law Number 11/2008 on Information and Electronic Transactions and Law Number 44/2008 on Pornography. Women victims of online gender-based violence who report their cases are very vulnerable to criminalization using the two policies above.

The limitations of the policy governing sexual violence certainly urged efforts to re-discuss and ratify the P-KS Bill. It must be emphasized, in addition to the P-KS Bill having the full attention of every person who is a victim of sexual violence and various forms of sexual violence, the regulation also emphasizes the importance of fulfilling victims' rights to protection, treatment and rehabilitation.

*Increasing cases of sexual violence need a comprehensive and pro-victim policy umbrella.*

In tandem with efforts to create an integrated handling system, the P-KS Bill also provides a mandate to create processes that encourage victims' recovery efforts, from minimizing the obstacles faced by victims of sexual violence when dealing with legal processes to the implementation of victim rehabilitation, both physical, psychological, economic, socio-cultural, and restitution aspects.

On the basis of the above, the presence of the P-KS Bill should also be a solution for efforts to deal with cases of sexual violence that are covered by online gender-based violence. Vulnerability of victims, especially women and children, when facing online gender-based violence, can be accommodated in the P-KS Bill, which has the breath to fill the legal vacuum in handling sexual violence cases that have a broad spectrum.

To encourage the P-KS Bill to be passed, an important thing that must be considered is the commitment of policy makers to this policy plan. In addition, various other parties, both civil society organizations, academics and other practitioners, can continue to advocate for this bill through inputs that are relevant to the context in the community. Likewise, the media should mainstream the issue of the P-KS Bill so that it will substantially exert a pressing effect on the government and provide public awareness of the importance of this issue. With joint efforts, the bill is expected to be a powerful strategy when talking about injustices against victims of sexual violence that have not been answered through various previous regulations.

**- Nopitri Wahyuni -**

## The Family Resilience Bill in the Social Welfare Perspective

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The relevance of the Family Resilience Bill urges immediate evaluation. The five factions of legislative body members who propose the bill argue that the vulnerable situation in families in Indonesia requires answers through family rules. However, since entering the Legislative Body on February 13, 2020, the bill has even caused public controversy because many of its articles infiltrate the family's private arenas.

It is interesting to say that the family is the foundation in all development efforts. The flows of thought of the bill are increasingly significant by showing the background that families in Indonesia are in vulnerable conditions and experiencing inequality. Meanwhile, efforts to deal with this have not been accommodated with comprehensive legislations.

However, the criticism that has arisen has made the bill worth a second thought. Some articles that encourage women to return to the domestic sphere, dim the dynamics of consensus between husband and wife, discrimination against vulnerable groups and sexual minorities, and the rules that are too fond of taking care of private matters in the family.

The above criticisms then spark questions about how family resilience is formulated. In fact, if reviewed through an outstanding academic paper. Several issues, such as high maternal and infant mortality rates, inadequate housing problems, high divorce rates, poor nutrition and the importance of nutrition for children, are some important issues across sectors and institutions regarding vulnerability situation. Unfortunately, when these problems are defined in article by article rules, there has not been a meeting point for answering shared anxiety regarding relevant family development efforts.

### **Polemics over Family Resilience Issues**

The conception of family security is one of the important topics in the bill above. In the perspective of social welfare, resilience here encompasses the strength of the family to deal with situations of difficulty or the power of handling pressure. The framework illustrates that conceptually, family resilience is a topic that relates to vulnerable and stressed families.

Froma Walsh (2011) developed The Walsh Family Resilience Framework, which is used to describe family resilience. Within this framework, three important aspects that become the principle of family resilience are beliefs, family management (organization) and communication.

On the belief side, an important principle is how to interpret the family of difficult conditions or pressures, develop expectations and positive images. On the family management side, family structure, balanced support and attachment are important. Meanwhile, communication includes openness to emotions and opinions that affect the problem-solving process.

In family resilience practices, an important focus and objective for assessing family resilience is to identify and use resources in the family. The importance of the assessment is also to see what the strengths and resources of potential families possessed today so that it is useful to determine the right solution. This approach becomes very relevant if it used in different cultural backgrounds because it focuses more on the functioning of the family as a family unit rather than individual characteristics (*J.A. McCubbin et al, 1998*).

With this basic approach, conceptually, family resilience focuses on family strength to overcome the problem of vulnerability that occurs. Several studies on family resilience discuss the issue of how families are able to rise when facing the situation of family members who have chronic diseases, low socio-economic conditions and physical and mental health disorders.

At the program or policy level, the provision of resources is a concrete approach that is used to increase resilience and attachment in the family. For example, in the United States, providing family support, such as decent housing, employment, transportation, social assistance, and access to resources, is part of a strategy that expands social factors to increase resilience (*Bethell, Gombojav & Whitaker, 2019*). This also applies to aspects of health, education

and basic services that are developed based on evidence-based programs to improve family resilience as an approach used.

This becomes difficult when translating perspectives on family resilience in an abstract law that covers various family problems in Indonesia. This basic statement can then be reflected in the articles contained in the Bill that do not consider family diversity and dynamics which should be an important point when discussing family resilience.

Some of the articles translated to promote the perspective of family resilience are actually less provoking. In addition, some articles do not move from the application of an appropriate conceptual framework, there are problems in the form of lack of data or evidence to justify why most of the sound of the article is needed. At present, a number of articles still contain very controversial substance. Some of the articles are contained in the following table:

**Table 1. Examples of Articles in the Family Resilience Bill and its Critics**

Article	Relation to the Concept of Family Resilience	Social Impact
Article 25 concerning the Role of Husband and Wife	Limiting the fluidity and dynamics of agreement in the family to determine the role of family members	Potential for gender discrimination (domestication of women)
Article 74, 86-88 concerning Family Crisis due to Sexual Abuse	Tendencies describe certain sexual minority groups as pathologies in families that must be cared for and treated without considering differences in family world views and perceptions of individual family members.	Leading to stigma and discrimination against certain sexual minority groups

Many other articles are still controversial. The separation of children's rooms, articles of surrogacy and donor sperm / ovum, are some of the many articles that have a tendency to provide dictation and restrictions by policy to the family system. Several articles on family resilience values and education also fail to outsmart the diversity of values and culture in Indonesia. This actually dwarfs family resilience as a perspective that emphasizes the family ecosystem in Indonesia which is certainly very diverse and dynamic.

## Recommendations

Based on the above review, the discussion of the urgency of the Family Resilience Bill needs to be questioned again. The road is still very long so that the bill can be passed by containing various inputs and taking into account family development, which is indeed intended to address family problems in Indonesia. Some notes that need to be underlined as input are *first*, related to how to use family resilience in the right conceptual framework.

In this aspect, it is important to consider the reality and contextual experience of the community. Does the background really describe the condition of the community and urge to crawl into the form of law? Reality and experience that depart from the conceptual framework are also needed to explore the impact that will result when the bill is realized in the form of a law. At present, widespread criticism that many articles actually have the potential to eradicate women and children and eliminate the diversity of families in Indonesia.

*Second*, important notes in the formulation of the Act must be based on evidence or research (evidence-based policy). In qualitative evidence, it is important to gain a diverse understanding of the perspectives of family life with a family resilience framework that also includes the importance of understanding cultural and economic differences.

Quantitatively, population trends in family life, such as divorce trends and how much a child faces a post-divorce parent's life can also be one example. This research is needed to ensure that the background of the problem presented is in line with the description of the articles formulated in response to the problem. This evidence-based policy is important not only for adopting community needs into regulations, but also measuring the impact when the regulation is implemented.

**- Nopitri Wahyuni -**

*The Family Resilience Bill needs to re-evaluate in the context of family experience and reality in Indonesia.*

## Online System Development in BPJS Kesehatan Management

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An online system that was developed in an innovative and comprehensive way helped the sustainability of Taiwan's National Health Insurance (NHI) amid the deficit that occurred between 2017 and 2018. Observing the management of the Health Care and Social Security Agency (BPJS Kesehatan), which is now struggling to survive, learning from the NHI experience and the development of an online system can be one of the recovery efforts. What are the NHI development practices and what strategic ways can be taken by BPJS Kesehatan?

### **Taiwan NHI Practices and Challenges**

In practice, an online system promises efficiency and effectiveness, not only in terms of administration but also in financial management. This underlies the NHI to continue the development of online systems since 2013. However, a number of challenges have been faced by the NHI since its founding in 1995. Some of the problems are the number of elderly participants is increasing, the possibility of deficit recurrence, information transparency has not been maximized, the level of public participation has not been equitable, and excessive cost utilization (*NHI Administration, 2019*).

In Jane Rickards' article "The Looming Challenge for National Healthcare Insurance" (2019), it was said that in 2017, NHI spending began to exceed revenue for the first time. Learning from the existence of deficits and other challenges, NHI is consistently committed to increasing providing better services to participants through the development of online-based system that have been carried out since 2013 (*Shu-Ling Tsai, 2019*). Now, the use of one online system through big data analytics is also being developed.

Big data analytics are very helpful for NHI in determining policies in

terms of disease prevention and treatment. Through big data analytics, health costs are also expected to be reduced. A number of applications have been practiced by NHI Taiwan to encourage the application of big data (*Executive Yuan, 2019*). For example, NHI MediCloud, which is used to make it easier for doctors to retrieve patient medical records from hospitals, prevent drug duplication and tests. Another example is “My Health Bank”, which makes it easier for patients to manage better their health by accessing records of doctor visits, use of medicines and others.

Through the survey, it is known that around 83.1% of respondents are satisfied with NHI services (*nhi.gov.tw, 11/10/2016*). This has made NHI one of the government policies with the highest level of satisfaction. However, learning from the challenges that arise, online system development still continues. A pilot program using artificial intelligence (AI) is now also being applied with patient privacy being a top priority.

In addition, by having a smart card and an electronic identity card, patients can easily get in-time notifications such as medical information through the NHI website. The existing site is also integrated with the efforts and information dissemination of preventive programs launched by the Ministry. Learning from NHI, the deficit is a momentum to improve and renew the online systems development. NHI also addresses challenges by continuing to innovate consistently. Further developing the practice of big data analytics to have more effective services is also another important step that needs to be done.

### **The Development of BPJS Kesehatan Online System**

Not wanting to be left behind from others countries, BPJS Kesehatan as one of the spearheads of social security has also practiced an online system to support its performance. Through the [bpjs-kesehatan.go.id](http://bpjs-kesehatan.go.id) website, participants can check the amount of bills faster. Various legal bases, information or news related to BPJS Kesehatan can also be accessed.

There is also the National Health Insurance Mobile or JKN Mobile app. However, the application still needs to be developed because of a number of problems have arisen. Some of them are participants must update repeatedly, logging in takes a long time, and others. Online system management needs to involve competent developers to support the success and sustainability of the system.

Observing further, since BPJS Kesehatan was established, the development of online systems has also resulted in several collaborations to facilitate the checking of participant data. In the Future Trends Forum (FTF) event at the Siwabessy Hall, Ministry of Health (Kemenkes) in November 2019, Deputy Director for BPJS Kesehatan Research and Development, Citra Jaya, explained that online services had been integrated with the Directorate General of Population and Civil Registration (Dukcapil) to facilitate the checking of National Identity Number (NIK) data of participants.

Collaboration with banks related to payment of fees by autodebet is also being developed so that collection of contributions is more efficient. Other plans on the development of online system utilization include the development of a Fraud Detection System and encouraging effective spending on health services. In addition, the launch of *BPJS Kesehatan* sample data towards the practice of big data analytics was also held in February 2019.

Related to the improvement of partner health services or health facilities, currently, online-based queuing policies are also being developed in a number of cities, as a response to the increasing number of visiting participants. The point is that an innovative online system is increasingly being developed by BPJS Kesehatan.

Since the establishment of BPJS Kesehatan, the fees determined have not been based on actuarial calculations. Tariffs that have been canceled by the Supreme Court (MA) were based on calculations from the Indonesian Actuary Association (PAI), which were also still not appropriate. According to PAI, class 1 independent participant contributions should be Rp274,204 per month, class 2 should be Rp190,639, and class 3 should be Rp131,195 (*Jamkesnwes.com*, 11/26/2019). As actual contributions that are considered expensive, online system development is one of the most effective ways.

### **Strategic Efforts**

In terms of online system management and development, BPJS Kesehatan has several programs. Various programs still need to be developed. This does not rule out the possibility of a priority program development system based on big data analytics, because of the large positive impact, such as that experienced by NHI. Big data analytics are also in line with the mission of the Central Government to produce evidence-based policies.

However, comprehensive, innovative and sustainable development planning needs to be done. Considering the practice of online systems, development has not really had an impact on BPJS Kesehatan management, so the deficits cannot be minimized. Observing the success of NHI to survive amid the deficits, a commitment to improving the online system must be done more seriously.

To support the success of the program, a road map for online system development of BPJS Kesehatan needs to be made. The existence of a road map will be the foundation of BPJS Kesehatan in the effort to recover management, which is expected to have an impact on improving services. However, BPJS Kesehatan holds the mandate in terms of national health insurance. Revamping the system through online systems needs to be a priority. The number of BPJS Kesehatan participants will continue to grow. Meanwhile, if the online system is not immediately comprehensively repaired, the deficit will burden increasingly.

The point is that the online system makes it easy for BPJS Kesehatan participants to reach health facilities better and to get services according to standards. Online system will also make performance more effective and will have implications for better partner services. An effective online-based health system in the end will not only become a media but also increase the health status of its participants.

**-Vunny Wijaya -**

*The development of more comprehensive online system practices can encourage the recovery of BPJS Kesehatan management. It is also hoped that this system will be able to streamline service financing and encourage BPJS Kesehatan to be free from the shackles of deficits.*

 THE **INDONESIAN INSTITUTE**  
CENTER FOR PUBLIC POLICY RESEARCH

**The Indonesian Institute (TII)** is a Center for Public Policy Research that was established on 21 October 2004 by a group of young, dynamic activists and intellectuals. **TII** is an independent, non-partisan, non-profit institution, whose main funding stems from grants and contributions from foundations, companies, and individuals.

**TII** has the aim of becoming a main research center in Indonesia for public policy matters and has committed to giving contribution to the debates over public policies and to improving the quality of the planning and results of public policy by promoting good governance principles and public participation in the policy processes in Indonesia.

**TII**'s visions are public policies in Indonesia which highly uphold human rights and rule of law, as well as involve participation of various stakeholders and practice democratic good governance principles.

**TII**'s missions are to conduct reliable research that is independent and non-partisan and to channel the research to the policy-makers, the private sector, and academia in order to improve the quality of Indonesian policy-makers.

**TII** also assumes the role of disseminating ideas to the society so that they are well informed about the policies that will have a good impact on the people's lives. In other words, **TII** has a position to support the democratization process and the public policy reform, as it will be involved in the process.

The scope of the research and review on public policies undertaken by **TII** includes economic, social, political, and legal affairs. The main activities which have been conducted by **TII** in order to achieve our vision and mission, are: research, surveys, facilitation and advocacy through training and working groups, public discussions, public education, weekly editorial articles ("Wacana" or Discourses), monthly analysis ("Update Indonesia" in Indonesian and "The Indonesian Update" in English), mid-year policy analysis ("Policy

Assessment”), annual policy analysis (“Indonesian Report”), and monthly discussion forum on policy issues (“The Indonesian Forum”).

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## RESEARCH ON ECONOMIC AFFAIRS

The economy tends to be used as an indicator of the success of the government as a policy-maker. Economy plays an important role as one of the fundamentals of national development. Limited resources have often caused the government to face obstacles in implementing economic policies that will optimally benefit the people. The increase in the quality of the people's critical thinking has forced the government to conduct comprehensive studies in every decision-making process. In fact, the studies will not be stopped when the policy is already in place. Studies will be continued until the policy evaluation process.

TII focus on economic issues, such as monetary policy and fiscal policy, as well as issues on sustainable development by using analysis which refer to economic freedom principles. Monetary issues will focus on the Indonesian Central Bank to maintain economic stability, both regarding inflation and exchange rate. Meanwhile, fiscal policy will focus on the discussions over the National Budget and infrastructure development both in the regions and in the cities. In relation to sustainable development, TII research is focusing on productivity, competitiveness, infrastructure development, and development gap. In addition, TII also upholds economic freedom principles in highlighting the importance of individual freedom and involvement of private sectors in increasing development and improving welfare in Indonesia.

The TII Economic Research Division is present for those who are interested in the conditions of the economy. The results of the research are intended to assist policy-makers, regulators, and donor agencies in making decisions. The research that TII offers: **(1) Economic Policy Analysis; (2) Regional and Sectoral Prospects; and (3) Program Evaluation.**

## RESEARCH ON LEGAL AFFAIRS

According to stipulations in Law No. 12 Year 2011 on the Formulation of Laws and Regulations, every bill which will be discussed by the legislative and the executive must be complemented with academic paper. This stipulation is also confirmed in Law No. 15 Year 2019 on the Amendment of Law No. 12 Year 2011 regarding the Formulation of Laws and Regulations.

Therefore, comprehensive research is very important and needed in making a qualified academic paper. With qualified academic papers, the bills will have strong academic foundation both from academic and content aspects. Furthermore, academic paper also functions as an early tracking over possibilities of overlapping laws and regulations, so that revocation of local regulations or other related issues which can be caused by legal, economic, or political aspects in the future, can be minimized as soon as possible.

TII offers normative and legal research related to harmonization and synchronization of laws and regulations, especially in making academic papers, legal opinion on harmonization and synchronization of laws and regulations, and legislative drafting for the formulation of local regulations bill drafts or other laws and regulations. In addition, TII also offers openly research on other legal issues related to Constitutional Law and Public Administration, Human Rights, and Political Corruption.

## RESEARCH ON THE POLITICAL AFFAIRS

The enactment of Law No. 23 Year 2014 on the latest regulation on the Local Government, has created different relations between the Central Government and the Local Government. Entering the era of Bureaucracy Reform, specification of division of affairs of the Central Government and the Local Government has increasingly demanded the implementation of good governance principles. The government is demanded to be adaptive and responsive towards public aspiration and services. Therefore, public policy research become more important for both the Central Government and the Local Government to analyse context and current issues in the regions. The government must also consider various actors whether political actors or bureaucrats, as well as public's aspiration and other non-state actor in policy processes.

In order to respond those needs, TII research in political affairs offer policy assessment on various policies which were already applied or will be implemented. TII will look at socio-cultural, economy, legal, and political aspects in assessing public policies. Our research will be useful to assist government in formulating policies which are in line with context, priorities, and people's aspiration. TII also offers various breakthrough of transformative policies according to existing contexts in particular and Open Government principles' implementation in general, in order to increase public participation in policy processes, particularly in the era of the openness of public information.

Political Research Division of TII provide analysis and policy recommendations in order to generate strategic policy in the strengthening of democracy and the establishment of good governance both at the

national and local levels. Political research forms are offered by TII **(1) Public Policy Analysis, (2) Media Monitoring, (3) Mapping & Positioning Research, (4) Need Assessment Research, (5) Survey Indicator.**

## RESEARCH ON THE SOCIAL AFFAIRS

Social development needs policy foundations that come from independent and accurate research. Social analysis is a need for the government, the businesspeople, academia, professionals, NGOs, and civil society to improve social development. Social analysis is important to identify strategic issues which are developing and to make the right stakeholders' mapping to promote significant change in the context of development, public policy, and democracy in Indonesia.

The Social Research Division is present to offer strong and valid recommendations to produce strategic, relevant, efficient and effective, and impactful policies, in addressing to existing various issues. For example, issues related to education, health, population, environment, women, children, and elderly. Social research that TII offers: **(1) Social Policy Analysis; (2) Explorative Research; (3) Mapping & Positioning Research; (4) Need Assessment Research; (5) Program Evaluation Research; and (5) Indicator Survey.**

## PRE-ELECTION AND REGIONAL HEAD ELECTION

One of the activities carried out and offered by TII is a pre-election survey as well as a pre-election and regional head election. The reasons underlying the implementation of pre-election and regional head election surveys, namely: (1) A good election is a democratic process that can be arranged, calculated, and predicted in the resulting process; (2) Survey is one of the important and common discussions to measure, calculate, and predict how the process and results of the General Election and the Regional Head Election will take place, in accordance to the expectations of the candidates; (3) It is very important to win in the General Election and the Regional Head Election based on empirical, scientific, measurable and supportable data.

As one of the important aspects of a strategic candidate's election, the survey is useful for monitoring political power. In this case, the success team needs to conduct a survey for: (1) mapping the candidate's position in public perception; (2) mapping voters' desires; (3) publishing the most effective political machinery used as voters; and (4) Looking for the most effective medium for the campaign.

## EVALUATION OF A PROJECT OR A PROGRAM

One of the activities that have been performed and experienced offered by TII is a qualitative evaluation of the projects and programs of non-governmental organizations and government. Evaluation activities are offered TII stages of mid-term evaluation of the project/program (mid-term evaluation) and also the final evaluation at the end of the project/program (final evaluation).

As we know, the evaluation is an important step in the implementation of a project or program. Mid-Term Evaluation of the project or program is intended to look at and analyze the challenges, the overall learning takes place during the project or program, and make recommendations for the continuity of the project or program. Meanwhile, the final evaluation allows us to view and analyze the outcomes and the lessons learned to ensure the achievement of all the objectives of the project or program at the end of the project or program.

## THE INDONESIAN FORUM

**The Indonesian Forum** is a monthly discussion activity on actual issues in the political, economic, social, legal, cultural, defense, and environmental fields. TII organizes these forums as media for competent resource persons, stakeholders, policymakers, civil society activists, academicians, and the media to meet and have discussion.

Themes that have been raised were the ones that have caught public attention, such as migrant workers, social conflicts, domestic politics, and local direct elections. The main consideration in picking a theme is sociological and political reality and the context of the relevant public policy at the time that the Indonesian Forum is delivered.

It is expected that the public can get the big picture of a particular event as the Indonesian Forum also presents relevant resource persons.

Since its inception, the Indonesian Institute is very aware of the passion of the public to get discussions that are not only rich in substance but also well formatted, which support balanced ideas exchanges ideas and the equal involvement of the different elements of the society.

The discussions, which are designed to only invite a limited number of participants, do not only feature idea exchanges but also regularly offer policy briefs (policy recommendations) to relevant policymakers and also summaries to the participants, especially the media people and the resource persons at the end of each discussion. Therefore, the discussions will not end without solutions.

## LOCAL COUNCIL TRAINING

The roles and functions of local councils in monitoring local governments are very important. They need to ensure that participative and democratic policies will be espoused. Members of provincial and regent local councils are required to have strong capacity to understand democratization matters, regional autonomy, legislative techniques, budgeting, local Politics, and political marketing. Thus, it is important to empower members of local councils.

In order for local councils to be able to response every problem that will come out as a result of any policy implemented by the central government or local governments, the Indonesian Institute invites the leaderships and members of local councils to undergo training to improve their capacity.

## WORKING GROUP

The Indonesian Institute believes that a good public policy process can be held with some engagement and empowerment of the stakeholders. The Indonesian Institute takes a role as one of mediator agencies to facilitate some forums in which the Government, Council Members, Private Sectors, NGOs and Academicians can meet in interactive forums. The Indonesian Institute provides facilitation on working groups and public advocacy.

The Indonesian Institute takes the role of mediator and facilitator in order to encourage the synergy of public policy work between the stakeholders and policy makers and also to have a synergy with funding agencies (donors).

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