

# The Indonesian Update

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

## **Main Report**

A Legal Analysis on Poisoning Cases in MBG Program

## **Economy**

- An Analysis of the Relationship between Foreign Direct Investment and Environmental Conditions in Indonesia
- The Relationship between Energy and Economic Growth in Indonesia: a Quantile Regression Approach and Policy Recommendations
- The Impact of Economic and Political Uncertainty on Indonesia's Macroeconomic Conditions

## **Laws**

- The Urgency of Revising the Consumer Protection Law Amidst the Rise of Electronic Commerce

## **Politics**

- Public Communication in the Prabowo-Gibran Era: Evaluation of the First 200 Days of Government
- The Controversy of New Autonomous Region Proposals in Indonesia

## **Social**

- From Climate Crisis to Food Crisis, Waiting for Concrete Government Solutions
- Critiquing the Requirement of Vasectomy to Receive Social Assistance
- The Relevance of the Indonesian Exemplary Father Movement (GATI) in Enhancing Fathers' Participation in Family Development

# CONTENTS

## **1 FOREWORD**

---

## **3 MAIN REPORT**

---

### **3 A Legal Analysis on Poisoning Cases in MBG Program**

## **10 ECONOMY**

---

- 10 An Analysis of the Relationship between Foreign Direct Investment and Environmental Conditions in Indonesia
- 15 The Relationship between Energy and Economic Growth in Indonesia: a Quantile Regression Approach and Policy Recommendations
- 21 The Impact of Economic and Political Uncertainty on Indonesia's Macroeconomic Conditions

## **27 LAWS**

---

- 27 The Urgency of Revising the Consumer Protection Law Amidst the Rise of Electronic Commerce

## **33 POLITICS**

---

- 33 Public Communication in the Prabowo-Gibran Era: Evaluation of the First 200 Days of Government
- 39 The Controversy of New Autonomous Region Proposals in Indonesia

## **45 SOCIAL**

---

- 45 From Climate Crisis to Food Crisis, Waiting for Concrete Government Solutions
- 49 Critiquing the Requirement of Vasectomy to Receive Social Assistance
- 55 The Relevance of the Indonesian Exemplary Father Movement (GATI) in Enhancing Fathers' Participation in Family Development

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## FOREWORD

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The May 2025 edition of the Indonesian Update presents a variety of sharp and critical analyses of contemporary issues affecting the direction of national development. This month's main report highlights the losses experienced by the beneficiaries and partners of the Free Nutritious Meals program. Using a legal approach, we examine how unprepared policy design and weak implementing regulations can have negative impacts on groups that should be protected and empowered.

In the economic field, we present three main discussions. First, an analysis on the relationship between energy and economic growth in Indonesia using a quantile regression approach that produces a number of evidence-based policy recommendations. Second, we discuss the influence of economic and political uncertainty on national macroeconomic conditions, as a reflection of global dynamics and domestic government transitions. Third, an article on the relationship between foreign direct investment, economic growth, and carbon emissions in Indonesia opens up a discussion space on how development strategies can be directed so as not to sacrifice environmental sustainability. The policy-econometric approach in this article is an important basis for designing policies that balance economic and climate interests.

From the legal realm, we highlight the urgency of revising the Consumer Protection Law. In the context of the increasingly massive digital economy and e-commerce, adaptive and consumer-friendly regulations are becoming increasingly urgent.

In the political field, we present two main analyses. First, an evaluation of public communication in the first 200 days of the Prabowo-Gibran administration, measuring how the state's communication style influences public perception and policy accountability. Second, we dissect the polemics over the discourse on the expansion of new autonomous regions (DOB), emphasizing the importance of contextualizing regional needs and fiscal prudence in responding to demands for expansion.

From the social side, our report highlights the relevance of the Indonesian Exemplary Fathers Movement (GATI) in encouraging male participation in family development. At the same time, we highlight two other crucial issues: the transition from the climate crisis to the food crisis that demands concrete government solutions, and criticism of the vasectomy requirement as a prerequisite for social assistance that is considered problematic from a rights and policy ethics perspective.

Through this edition, Update Indonesia invites readers to understand how policies, political dynamics, and social practices are intertwined in shaping the face of Indonesia today and in the future. We hope that these reports could be a source of reflective thinking for policy makers, academics, business people, and civil society.

**Happy reading.**

Main Report

## A Legal Analysis on Poisoning Cases in MBG Program

- Christina Clarissa Intania-



Photo Source: [news.detik.com](https://news.detik.com)

On May 8, 2025, it was exactly 200 days since President Prabowo Subianto and Vice President Gibran Rakabuming Raka took office. One of the flagship programs of this administration is the Free Nutritious Meal (*Makan Bergizi Gratis/MBG*). MBG aims to improve malnutrition, reduce the incidence of disease in future generations, reduce mortality rates, increase the continuation of children's education to high school, reduce medical costs, and increase gross domestic product ([bgn.go.id](https://bgn.go.id), 13/5/2025).

Acting Director of Budget for Human Development and Humanitarian Affairs of the Directorate General of Budget Diah Dwi Utami (3/2/2025) explained that the target beneficiaries of the MBG in 2025 were infants under five years of age (toddlers); students at the Early Childhood Education (PAUD) level, Elementary School (SD), Middle School (SMP), up to Senior High School (SMA) and equivalent; students; people with disabilities; students of special schools; pregnant women, and nursing mothers ([mediakeuangan.kemenkeu.go.id](https://mediakeuangan.kemenkeu.go.id), 3/2/2025). According to President Prabowo's speech in a cabinet meeting at the President's Office (5/5/2025), the beneficiaries of the MBG have reached three million people.

On the other hand, the implementations of the MBG program often experiences incidents of poisoning that endanger beneficiaries or students

who consume MBG food. Some examples were cases of MBG poisoning that occurred in beneficiary schools, with the number of victims varying from 29 students at SD Katolik Andaluri, East Sumba Regency on February 18 (tempo.co, 11/5/2025), to 223 students at schools in Bogor City (news.detik.com, 13/5/2025).

Therefore, this paper shall seek to discuss how the MBG is administered, considering these poisoning cases, by reflecting on the general principles of good governance in accordance with Law Number 30/2014 on Government Administration as amended by Law Number 6/2023 on the Application of Government Regulation in Lieu of Law Number 2/2022 on Job Creation into Law (GA Law). This paper shall also discuss what efforts can be made by communities affected by this loss.

### The Poisoning Cases in the MBG Program

Referring to the examples mentioned in the previous section, it is clear that cases of poisoning due to MBG affected a varying number of students in a number of schools. In further investigation, as of the writing of this paper (15/5), the number of poisonings due to MBG can be detailed from various sources. Based on the media review, the following poisoning cases occurred.

Date of Reported Incident	School/Region	Number of Victims
January 13, 2025	South Nunukan, North Kalimantan	At least 29 elementary students and more than 30 high school students
January 16, 2025	SD Negeri (SDN) 3 Dukuh, Sukoharjo, Central Java	Reached 50 students
February 4, 2025	Semarang, Central Java	1 high school student
February 17, 2025	SDN Tebing Tinggi, Empat Lawang, South Sumatra	8 students

Main Report

February 18, 2025	Andaluri Catholic Elementary School, Waingapu City, East Sumba, East Nusa Tenggara	29 students
February 19, 2025	SDN 2 Alaswangi, Pandeglang Regency, Banten	40 students
February 26, 2025	SD Kapunrengan, SD Bonto Ba'do, and SD Lengkese, Takalar District, South Sulawesi	12 students
April 18, 2025	SDN Proyonanggan 5 Batang, Batang Regency, Central Java	60 students
April 21, 2025	MAN 1 Cianjur and SMP PGRI 1, Cianjur, West Java	78 students
April 24, 2025	SDN 33 Kasipute, Bombana, Southeast Sulawesi	13 students
April 29, 2025	SMPN 35, Bandung City, West Java	342 students
May 1, 2025	Tasikmalaya Regency, West Java	400 students from kindergarten to junior high school
May 10, 2025	Bogor City, West Java	223 students
<b>TOTAL</b>		<b>Approximately 1,315</b>

Sources: *bbc.com*, 26/2/20/2025; *regional.kompas*, 21/2/20/2025; *cnbcaindonesia.com*, 22/2/20/2025; *cnnindonesia.com*, 26/2/20/2025; *metro.tempo.co*, 24/4/2025; *kompas.id*, 2/5/2025; *national.kompas.com*, 14/5/2025; *news.detik.com*, 15/5/2025; *bbc.com*, 27/4/2025; *liputan6.com*, 1/3/2025, processed by the author (2025).

Different from the data from the Food and Drug Administration (BPOM) explained in a working meeting with 9th Commission of the House of Representatives (15/5), there were 17 extraordinary events of food poisoning related to MBG in 10 provinces identified. However, when compared to President Prabowo's own statement, he mentioned that out of 3 million beneficiaries, there were under 200 people who experienced poisoning (new.detik.com, 5/5/2025; dw.com, 5/5/2025).

### **Implementation of MBG and Good Governance Principles**

In the administration of Indonesian government, policies organized by the government must be based on the good governance principles stipulated in Article 10 of the GA Law, namely: legal certainty, expediency, impartiality, accuracy, not abuse of authority, openness, public interest, and good service. However, highlighting the cases of poisoning during the MBG, the principles of accuracy and good service are fundamental principles that are not fulfilled.

*First*, the principle of accuracy. Referring to the definition of the principle of accuracy in the GA Law, MBG has not provided complete information and documents to support the implementations of decisions and/or actions so that the decisions and/or actions concerned are not carefully prepared before the decisions and/or actions are determined and/or carried out. In terms of regulations related to the implementation of the MBG, the instruments that can be found publicly are Presidential Regulation No. 83/2024 on the National Nutrition Agency (NNA Presidential Regulation), Ministry of Health Circular Letter No. HK.02.02/C/3191/2024 on Support for the Implementation, Guidance and Supervision of the Safety of Prepared Processed Food in the Free Nutritious Meal Program (MoH Circular), and Circular Letter No. 500.12/2119/SJ on Local Government Support in Providing Land for the Construction of Nutrition Fulfillment Service Units (MoHA Circular). The MBG has a Technical Manual (Manual), but it is not accessible to the public and only to actors involved in the implementation of the MBG. The only publicly available MBG technical guidelines are those shared through individuals on third-party websites, not from the official government website (scribd.com, 15/5/2025).

These instruments do not directly and elaborately regulate MBG implementation extensively. The NNA Presidential Regulation only regulates the BGN as an institution which contains the structure, duties, and obligations of the BGN. As for the MoH and MoHA Circulars, the

## Main Report

MoH Circulars explain what the local health offices should do, but these are only brief instructions in the form of a two-page letter. As for the MoHA Circular, it only instructs the procurement of areas.

For the technical guidelines, based on the documents found, several organizations have criticized the monitoring and evaluation mechanism, including the Center for Indonesia's Strategic Development Initiatives (CISDI). CISDI (2025) explains that in the circulating technical guidelines document, the monitoring and evaluation is not clear, especially in reporting and correcting constraints and measuring the effectiveness of the MBG program. Food safety and hygiene are also considered not explained by the data and/or intervention indicators. The technical guidelines also do not address food hygiene and safety, such as from the aspects of storage, processing and distribution. According to this analysis, the set of documents is not sufficient to support MBG supervision to ensure that the food provided to beneficiaries is always of high quality.

*Second*, the principle of good service. Based on the definition of this principle, the cases of poisoning in the MBG indicate that services were not timely, did not have clear procedures, and did not comply with service standards. Some of the reasons for the poisonings according to BPOM (5/15/2025) were poor food quality due to late food storage and delivery (metrotvnews.com, 5/15/2025; national.kompas.com, 5/15/2025). As explained earlier, the procedures for storage and distribution are not clearly regulated in the technical guidelines (CISDI, 2025). This directly affects the quality of service, which is not in accordance with applicable health standards.

Referring to the explanation above, it can be concluded that poisoning is caused by a lack of clear procedures and standards in organizing MBG. This is mainly found in the quality assurance of food ingredients at the stages of food storage, processing, and distribution.

### **Citizen Lawsuit as an Option to Sue the State**

Considering the large number of students who were victimized, it makes sense for this aggrieved group to demand their rights. One of the things that can be done by groups that are in doubt due to food poisoning during MBG is a citizen lawsuit. Citizen lawsuit is a court system in which citizens can sue the government for unfulfilled rights (Niken, 2016:35). Citizen lawsuits are useful to encourage state administrators to make better arrangements

## Main Report

through issuing policies that regulate so that negligence of citizens' rights do not occur again (Kaunang, Muaja & Koloay: 2022). Similar to class actions, citizen lawsuits focus more on public interest-oriented fulfillment and target state officials directly (Nugroho, 2010: 387).

In filing a citizen lawsuit, Hermawanto (2008) explains that individuals or citizens can apply to the court for and on behalf of the interests of all citizens or public interests to protect citizens from possible losses due to state actions or omissions. Apart from the losses due to poisoning experienced by the victims, Hermawanto explains that in principle, citizens who become petitioners in citizen lawsuits do not need to prove the existence of direct real losses (Hermawanto, 2008: 51).

However, there are shortcomings in conducting citizen lawsuits. As of this writing, there is no rigid regulation on how to conduct a citizen lawsuit. However, over time, citizen lawsuits began to be conducted in Indonesia through the civil court mechanism. One such decision is Decision 374/Pdt.G/LH/2019/PN.Jkt.Pst. at the Central Jakarta District Court which sued President Joko Widodo, former Jakarta Governor Anies Baswedan, and a number of other officials in relation to Jakarta's poor air quality. This verdict declared victory for the plaintiffs. As a result, the defendants were ordered to make improvements in policy implementation. For example, through tightening the National Ambient Air Quality Standards, stricter supervision, enforcement of sanctions for violators of regulations and policies, socialization, and so on.

Reflecting on the MBG poisoning case, the poisoned students' rights to nutritious food was certainly not fulfilled. The many irregularities in the MBG implementation procedures indicate serious negligence on the part of program implementers in ensuring the quality of MBG food. Therefore, one option that can encourage the government to improve the system is a citizen lawsuit so that there will be no more poisoning tragedies experienced by beneficiaries and so that the government can be seriously reprimanded with the force of law to improve the MBG system so that it is better, more transparent and accountable.

## Main Report

***Citizen lawsuits are useful to encourage state administrators to make better arrangements through policies that regulate so that there are no more negligence at the expense of citizens and ignore citizens' rights.***

### Recommendations

According to the above analysis, the following steps are recommended:

- a. BGN and all components of the MBG program need to conduct a comprehensive evaluation of the MBG program from the initial stage, namely determining partners, to the distribution of food to beneficiaries. Quality food reaching beneficiaries is driven by experienced service providers who are selected in an accountable and transparent manner, have good quality standards, food processing according to standards, and are able to meet the accuracy of food distribution to maintain food quality;
- b. BGN and all MBG components must improve food storage, processing and distribution procedures by setting absolute standards to maintain quality, as well as intensive socialization for partners;
- c. Strict supervision and strict sanctions need to be developed by BGN and relevant MBG delivery components to ensure that partners and SPPGs follow procedures properly;
- d. BGN and all components of the MBG organizers must be transparent in handling MBG poisoning cases, both regarding data and the handling process to uphold accountability and transparency;
- e. If a citizen wants to file a citizen lawsuit, it is important for him or her to understand his or her rights and the lawsuit procedure. Seeking legal counsel, whether pro-bono or not, is an option that can make it easier, and
- f. The police and all levels of society must jointly protect citizens who conduct citizen lawsuits from intimidation, pressure, or stigmatization from state officials or from fellow citizens.

Economy

## An Analysis of the Relationship between Foreign Direct Investment and Environmental Conditions in Indonesia

-Putu Rusta Adijaya-



Foreign direct investment (FDI) is one of the factors supporting economic growth throughout the world, including Indonesia. De Mello (1997) in Fazaalloh (2024) said that there were two pathways for FDI for economic growth; namely, capital accumulation and technology transfer. Apart from that, Fazaalloh also stated that the amount of foreign direct investment inflow to Java was much greater than to non-Javanese regions, such as Sumatra and Sulawesi, even though both of these regions had experienced an increase in FDI.

In addition, research on foreign direct investment and environmental degradation has also been widely researched. For example, Wang et al. (2023) found that the relationship between FDI and environmental quality was highly dependent on income level. They explained that the threshold value of income level, such as when GDP per capita was below 541.87 dollars, there was a positive influence between FDI and carbon emissions. However, when GDP per capita exceeded 541.87 dollars, the positive effect almost disappeared in the countries studied (Wang et al., 2023).

Therefore, this paper shall want to analyze the relationship between foreign direct investment and environmental conditions in Indonesia. This paper shall use the Autoregressive Distributed Lag Model (ARDL) Bounds Test approach based on the model in Adijaya (2024), Alabi, Ojuolape and Yaqoob (2021), and Lee and Fernando (2021).

## The Literature on the Relationship between Foreign Direct Investment and Environmental Conditions in Indonesia

Literature related to the relationship of foreign direct investment to economic growth and environmental degradation is growing from year to year; for example, regarding the relationship between FDI and the environment, several important studies such as Huang et al. (2022) stated that inflow from FDI has a positive impact on carbon emissions. However, they explain that carbon dioxide emissions will be reduced in countries with higher levels of economic development and regulatory quality when there is FDI inflow. Alabi, Ojuolape and Yaqoob (2021) found something different where FDI was found to be statistically insignificant in explaining changes in environmental pollution in Sri Lanka. They concluded that foreign investment has not received the government's attention regarding its impact on environmental quality.

## An Analysis of the Relationship between Foreign Direct Investment and Environmental Conditions in Indonesia

To see the relationship between FDI and environmental conditions in Indonesia, this research uses the Autoregressive Distributed Lag Model (ARDL) Bounds Test model based on Adijaya (2024), Alabi, Ojuolape and Yaqoob (2021), and Lee and Fernando (2021). The mathematical model that will be studied is:

$$LCO2AN=f(LGDPC, LEnConscap, LCSE, FDI) \quad (1)$$

where LCO2AN is the annual carbon dioxide emissions in tons; LGDPC is Gross Domestic Product (GDP) per capita constant US\$ 2015 whose data comes from the World Bank which is later in natural logarithm; LEnConscap is primary energy consumption per capita in KwH units per person whose data is taken from OurWorldinData which is later in natural logarithms; LCSE is low carbon energy from renewable sources in units of % equivalent primary energy whose data is taken from OurWorldinData, and FDI is net FDI inflows in units of % of GDP whose data comes from the World Bank.

By using Eviews statistical software, the results of the unit root test with Augmented Dickey-Fuller (ADF) found that the variables were at stationary level (I(0)) and first difference (I(1)). This indicates that there are no variables that are in the second degree of stationarity and these variables can still be used in the ARDL Bounds Test.

After the unit root test, the lag is tested to determine the ARDL model (p, q, r, s, t) for model (1). It was found that the appropriate ARDL model based on the smallest Akaike Information Criteria (AIC) value was ARDL (1, 4, 2, 1, 0). Next, a Bounds Test is carried out to see whether this model has a long-term model. If the calculated F-statistic exceeds the upper limit critical value (I(1)), then the null hypothesis (H0) which states there is no long-term relationship will be rejected. If the calculated F-statistic is below the lower limit critical value (I(0)), then the null hypothesis (H0) will not be rejected. However, if the calculated F statistic is between the critical value of the lower limit and the upper limit, then there is no conclusion (Sugiawan & Managi, 2016).

The F-statistic result calculated by the Bounds Test is 4.653 which is greater than the upper limit critical value (I(1)) at the 5% significance level with an F-statistic of 4.416. Thus, this model is said to have long-term cointegration. Table 1. below shows the results of these long-term estimates.

**Table 1. Long Term ARDL Estimation Results**

Variables	Coefficient	t-statistics	Prob.
<i>LGDP</i>	0.850	4.151	0.000***
<i>LEnConscap</i>	0.594	4.405	0.000***
<i>LCSE</i>	-0.017	-1.388	0.1715
<i>FDI</i>	0.028	1.265	0.2118

Sumber: Author's calculation with Eviews 13. \*, \*\*, \*\*\* are significant at 10%, 5%, and 1 %. Estimates use Newey-West standard errors.

According to the regression results, it was found that variable *LGDP* and *LEnConscap* had significant signs in the long term seen from their probabilities. The GDP per capita variable that was significant at 1% showed that every 1% increase in GDP per capita would increase carbon dioxide emissions by 0.85% holding other variables constant. This indicates that Indonesia is still using fossil-based energy to drive its economy where the construction of infrastructure, such as roads, buildings and public facilities also requires large resources which leads to increased carbon emissions. The finding of the significance of energy consumption on carbon emissions is also significantly positive, the same as the findings of Adijaya (2024), as well as Alabi, Ojuolape and Yaqoob (2021).

On the other hand, *FDI* apparently does not have a significant impact on carbon emissions. This finding is the same as the finding of Alabi,

Ojuolape and Yaqoob (2021) who studied Sri Lanka. What might explain this phenomenon is that FDI entering Indonesia does not necessarily only enter energy-intensive sectors. Apart from that, there may be a time lag for investment projects, so it will not have an impact on carbon dioxide emissions.

FDI policy in Indonesia in recent times has tended to be open with various fiscal and non-fiscal incentives offered to investors. For example, based on the [bkpm.go.id](http://bkpm.go.id) website (access 15 May 2025), the FDI policy is implemented openly, where all business activities are open to 100% foreign ownership, except for 37 business activities with certain requirements stated in Presidential Regulation 49/2021. This revised regulation lifted restrictions on 350 business activities for FDI, including in the Technology, Information and Communications (ICT), health, transportation, energy and mineral resources, plantation and agriculture, and construction sectors. FDI companies are required to spend a minimum capital of IDR 10 billion (~US\$700,000) to establish a limited liability company (PT). Apart from that, the government also simplified regulations through the Job Creation Law, tax holidays, tax allowances, super tax deductions, import duty facilities, and others.

Regarding sustainable investment, the Coordinating Ministry for Economic Affairs (17 February 2025) said that the government continued to be responsive in attracting sustainable investment, one of which was through developing a green economic ecosystem. The government had also taken significant steps to encourage sustainable investment through Presidential Decree Number 112/2022 concerning the Acceleration of Renewable Energy Development for the Supply of Electric Power which targets the portion of renewable energy in the energy mix of 23% in 2025 and 31% in 2050. However, it is possible that there is a time lag for investment projects and these intentions have not yet had an impact on sustainability as previously explained in the findings.

The various incentives provided and policy intentions are still not enough to attract investors to invest their capital in Indonesia. Investors need certainty in the business ecosystem, security and comfort in the investment climate, regulatory efficiency, and transparent and responsible governance. Therefore, important policy recommendations for President Prabowo's government are outlined in the next section.

## Economy

***President Prabowo's government must be able to accelerate the energy transition to new, renewable energy (EBT) with multi-party collaboration, involving the private sector and universities, encouraging sustainable infrastructure development that encourages green infrastructure principles, and implementing a regular monitoring and evaluation system for emissions produced. To that end, it is necessary to assess the impact of emissions accurately and in real time, as well as optimizing incoming foreign investment for sustainable and environmentally friendly sectors. In addition, all elements of the central and regional governments must be able to encourage transparency and accountability regarding the use of FDI.***

### **Policy Recommendations**

According to the explanations above, the following are policy recommendations for President Prabowo Subianto's government. First, the Ministry of Energy and Mineral Resources, the Ministry of Industry, together with related ministries/institutions must be able to accelerate the energy transition to new renewable energy (EBT). The government must accommodate the acceleration of the EBT program with multi-party collaboration and involving the private sector and universities.

Second, ministries related to infrastructure and other technical ministries must be able to encourage sustainable infrastructure development that encourages green infrastructure principles. In addition, implementing a regular monitoring and evaluation system for the emissions produced needs to be carried out to assess the impact of emissions accurately and in real time.

Third, all elements of ministries/institutions, including Danantara, must optimize incoming foreign investment for sustainable and environmentally friendly sectors. Apart from that, all elements of the central and regional governments must be able to encourage transparency and accountability regarding the use of FDI.

## Economy

# The Relationship between Energy and Economic Growth in Indonesia: a Quantile Regression Approach and Policy Recommendations

-Putu Rusta Adijaya-



The demand and supply of energy are crucial in driving the economy through sectors that need it. It is due to energy being an inseparable part and closely intertwined with economic growth. For example, if demand for new renewable energy (NRE) rises in the economic sector and society, *ceteris paribus*, the government will try to accommodate it through policies that encourage new renewable energy, such as creating new green industries or developing existing green industries (Adijaya, 2024).

Adijaya (2024) also found that in general, the Annual Average Growth Rate (AAGR) of energy consumption (coal, fuel oil, natural gas, electricity, Liquefied Petroleum Gas (LPG), and traditional biomass) in each sector (industry, household, commercial and transportation) in Indonesia did not differ in two study periods, both 2014-2022 and 2019-2022. Coal consumption for the industrial sector in the two periods also had a high growth rate because the subsectors within it, such as iron and steel, machinery and equipment, as well as chemicals, are energy-intensive sectors where their energy demands met through coal which has characteristics of high energy density (Adijaya, 2024).

However, NRE sources such as hydropower and geothermal will become significant energy sources in the future, each of which will supply almost 29% of Indonesia's electricity needs (Fadhillah, 14 May 2025). Moreover,

Fadhillah also stated that 21% of electricity would be supplied by wind and solar energy. Meanwhile, the share of fossil fuels will decrease to around 26% with the integration of carbon capture and storage technology.

Therefore, this paper shall aim to analyze the relationship between energy and economic growth in Indonesia, using a quantile regression approach, which emulates the research model of Liu, Lin, and Xu (2021). Moreover, this research shall also provide policy recommendations for President Prabowo Subianto's government regarding energy and economic growth.

### **The Literature on the Relationship between Energy and Economic Growth**

Liu, Lin, and Xu (2021) say that the quantile regression method can estimate in detail the heterogeneous impact of two types of energy spillovers; namely, fossil fuel energy and NRE, on economic growth. By testing China, they found that the regression results of fossil fuel energy and NRE at the five quantiles tested (10th quantile, 25th quantile, 50th quantile, 75th quantile, 90th quantile) on economic growth were negative.

It indicates that excessive production and use of fossil energy are not conducive to economic growth, which also proves that the "resource curse" phenomenon occurs in many provinces in China. A negative value for the abundance of renewable energy indicates that renewable energy production currently does not play a significant role in driving economic growth in China, because renewable energy companies are still in their early stages and their production requires government financial support and tax breaks. It also adds to the burden of economic growth to a certain extent (Liu, Lin, & Xu, 2021).

On the other hand, Purnomo et al. (2022) found that oil, gas, and biomass fuel consumption, as well as average years of education, had a positive and significant effect on economic growth in Indonesia in 1990-2019. The same thing was found previously by Dat et al. (2020), where economic growth and energy consumption were pertinent in Indonesia.

The literature on the relationship between energy and economic growth or the energy-growth nexus was discussed in more depth by Menegaki (2021). She explained that the energy-growth nexus research had identified 'four hypotheses', namely 1) countries that would not experience the impact of economic growth through reduced energy consumption; 2) countries whose economic growth will be jeopardize if energy consumption was

reduced, because these countries could only encourage growth through increasing energy consumption; 3) countries whose economic growth was highly dependent on energy consumption and energy consumption was interdependent on economic growth, and 4) economies that did not show any relationship between energy consumption and economic growth.

### **Analysis of the Relationship between Energy and Economic Growth in Indonesia Using a Quantile Regression Approach**

To analyze the energy-growth nexus in Indonesia, the author uses a quantile regression approach that emulates the research model of Liu, Lin, and Xu (2021). The quantile regression model tested in this paper is

$$Q_{\tau}(LGDPC_{it}) = C + \beta_{1\tau} FF_t + \beta_{2\tau} RE_t + \beta_{3\tau} LECOFP_t + \mu_{it} \quad (1)$$

where LGDPC is the natural logarithm of Gross Domestic Product (GDP) per capita constant US\$ 2015 whose data comes from the World Bank; FF is the average share of energy consumption (%) for coal, oil and gas whose data is obtained from the Energy Institute at OurWorldinData; RE is the average share of energy consumption (%) of new renewable energy whose data is obtained from the Energy Institute at OurWorldinData; LECOFP is the natural logarithm of the ecological footprint by the Global Footprint Network in global hectares, and  $\mu_{it}$  represents the error term.

Using Eviews statistical software, the results of the unit root test with Augmented Dickey-Fuller (ADF) found that the LGDPC was stationary at level (I(0)) significant at 10% while LECOFP was stationary at level (I(0)) significant at 1% and other variables were stationary at first difference (I(1)). Following Liu, Lin, and Xu (2021), the authors also tested cointegration using the Johansen Cointegration Test and found that there was cointegration or long-term equilibrium between the dependent variable and the independent variable. The results of the Johansen Cointegration test can be seen in Table 1 below.

**Table 1. Johansen Cointegration Test Results**

Hypothesis Number of Cointegration Equation (CE)	Trace Statistics	0.05 Critical Value	Prob.
None*	57.720	55.246	0.030
At most 1	25.432	35.011	0.359
At most 2	10.529	18.398	0.431
At most 3	0.015	3.841	0.904

Source: Author's calculation with Eviews 13. \* indicates rejection of the hypothesis at the 0.05 level. Lag intervals for first differences are 1 to 2. The deterministic assumption is Case 5: Short-run dynamics include a constant and trend.

Furthermore, the results of quantile regression at the 10th through 90th quantiles, which emulate Liu, Lin, and Xu (2021), are shown in Table 2.

**Table 2. Quantile Regression Results**

Variabel	Quantile				
	10th	25th	50th	75th	90th
c	-13.455***	-13.712***	-13.530***	-15.012***	-18.801**
FF	-0.143***	-0.123***	-0.111***	-0.081**	-0.007
RE	-0.293***	-0.266***	-0.233***	-0.197***	-0.099
LECOFP	1.324***	1.306***	1.278***	1.304***	1.379***
Pseudo R <sup>2</sup>	0.908	0.905	0.902	0.893	0.864

Source: Author's calculation with Eviews 13. \*, \*\*, \*\*\* are significant at 10%, 5%, and 1%.

In general, the regression estimates for the average share of energy consumption of fossil fuels (FF) and the average share of energy consumption (%) of new renewable energy (RE) on GDP per capita have the same sign (negative sign) at each quantile, which is the same finding as Liu, Lin, and Xu (2021). They explained that excessive production and use of fossil energy were not conducive to economic growth. It also proves that the "resource curse" phenomenon occurs in many provinces in China. A negative value for the abundance of renewable energy indicates that renewable energy production currently does not play a significant role in driving economic growth in China, because renewable energy companies are still in their early stages and their production requires government financial support and tax breaks. It also increases the burden of economic growth to a certain extent.

By utilizing the logic of Liu, Lin, and Xu (2021), these results also offer insights that people's income will decrease due to the excessive use of fossil fuel energy and the lack of development of the NRE sectors in Indonesia. In per capita income in the lowest quintile (0.1 and 0.25) or a period of low growth; for example, a one-unit increase in the share of energy consumption of fossil fuels will reduce per capita income by 14.3% and 12.3%, respectively. As the economy grows in the next quintile, it shows an increase in fossil energy utilize efficiency.

On the other hand, although negative signs are also visible in the share of renewable energy consumption on economic growth, the magnitude of the decline may reflect the initial implementation of renewable energy technology, which has not gone well and requires more support from the supply-side management. Therefore, President Prabowo Subianto's government in the future must be able to support technological spillover and encourage the NRE ecosystem because the spillover to the whole should be considered.

In the policy context in Indonesia, the energy transition policy from fossil fuels to NRE has yet to show progress. For example, the Institute for Essential Services Reform (IESR) (5 December 2024) said that Indonesia's energy transition throughout 2024 will experience a bottleneck. This stalled progress can also noticeable from the revision of the National Energy Policy, which lowers the target for achieving renewable energy from 23% to 17-19% by 2025. Indonesia's energy transition status has not moved from the consolidation stage (IESR, 5 December 2024).

Moreover, the Civil Society Coalition for a Just Energy Transition in dunia-energi.com (23 January 2025) explained that there had been no progress in the energy transition during the first 100 days of President Prabowo Subianto's administration. They also regret the setbacks in the energy transition, which can be seen from President Prabowo's steps in prioritizing new energy such as downstream coal, nuclear, carbon capture technology (CCS/CCUS), and gas. Therefore, this paper provides policy recommendations, which are outlined in the next section.

### **Policy Recommendations**

Referring to the explanations above, the following are policy recommendations for President Prabowo Subianto's government. First, the Ministry of Environment, the Ministry of Forestry, the Ministry of Industry, and related ministries/institutions must prioritize sustainable development strategies

## Economy

***President Prabowo's government must prioritize a sustainable development strategy that aligns economic growth targets and minimizes adverse impacts on the environment; shows commitment to accelerating the transition; and encourages innovation and technological adaptation through collaboration and cooperation with the private sector, universities, and experts.***

that align economic growth targets and minimize the adverse impacts to the environment; for example, investing in environmentally friendly technology, trade cooperation for technological spillovers, energy efficiency, and sustainable resource management.

Second, the Ministry of Energy and Mineral Resources (ESDM), as the leader in this, must be able to increase the efficiency of using fossil energy. As Adijaya (2024) argues, fossil energy is still much needed in energy-intensive sectors. However, this does not mean that the use of fossil energy will continue in the future. The government must demonstrate a commitment to accelerating the energy transition to eliminate dependence on fossil fuels to cleaner and more efficient energy sources. Apart from that, the government also needs to build infrastructure and reduce energy subsidies, which provide incentives for the wasteful and inappropriate use of fossil fuels.

Third, all elements of government must be able to encourage innovation and technological adaptation through collaboration and cooperation with the private sector, universities, and experts for the transfer of knowledge and technology which is expected to help reduce the ecological footprint associated with economic activities and increase energy productivity, as well as encourage sustainable development.

**Economy**

## **The Impact of Economic and Political Uncertainty on Indonesia's Macroeconomic Conditions**

**-Aushaaf Raffif Keane Pribadi-**



In recent years, Indonesia has faced increased economic and political uncertainty, whether from global or domestic factors. The Global Economic Policy Uncertainty Index, which was only 114.12 in January 2010, rapidly rose to 548.89 in February 2025. This heightened global uncertainty is an accumulation of multiple international occurrences such as the European crisis in 2012, Brexit in 2020, political turmoil in Brazil, France, and other countries in 2017, as well as the most recent trade wars ignited by the United States in 2025 (policyuncertainty, 2017).

From within the country, the 2024 presidential election, followed by the transition into the new cabinet of President Prabowo Subianto, plays a critical role in elevating domestic uncertainty in Indonesia. The World Uncertainty Index for Indonesia in the first quarter of 2025 is 0.517, which is at its highest level since the European crisis in 2012. This level of uncertainty is even higher than during the COVID-19 pandemic in 2020, which was around 0.335.

So, how do these political events and transitions affect domestic uncertainty? A nation's leader and the government institutions could determine the direction of development and public policies that will be implemented during their regimes. These policies, in turn, influence a nation's political, economic, and social conditions. However, Pástor and Veronesi (2013) explained that the public and economic agents could not completely know the behavior of

the government and the policies it would implement in the future. This leads to doubts regarding the current economy and its future prospects. This uncertainty is inevitable and tends to emerge particularly during periods of political leadership transition.

In Indonesia, uncertainty is further heightened by the poor performance of the new cabinet, which is inadequate in its policy planning and ineffective in managing public expectations (Celios, 2025; TII, 2025). Inconsistent policies without clear priorities and data foundations can lead to lower public sentiment towards the government, which ultimately sparks negative expectations about future economic conditions. This is further exacerbated by the uncoordinated and non-transparent policy communication, resulting in public unease and confusion.

In the process, the Indonesian government has implemented responsive policies to mitigate the impact of economic and political uncertainty. For example, the Ministry of Finance and the Ministry of Social Affairs provided tax cuts and social assistance during economic downturns under high uncertainty periods. Besides that, Bank Indonesia also implements contractionary monetary policies to stabilize volatile prices and exchange rates. However, these policies are focused on the mitigation of the aftermath, rather than the root cause, which is to manage the uncertainty.

Therefore, this study shall attempt to analyse the impact of global and domestic uncertainty on Indonesia's macroeconomic conditions, as well as provide recommendations for the President Prabowo government to manage uncertainty and maintain the stability of the Indonesian economy.

### **How Does Uncertainty Affect Macroeconomic Conditions?**

Ahir et al. (2022) constructed the World Uncertainty Index and found that uncertainty had a significant negative impact on output. This effect is more substantial and persistent for countries with low institutional quality. Reviewing literature on the impact of Economic Policy Uncertainty Index, Al-Thaqeb and Algharabali (2019) explained several mechanisms by which uncertainty affects the economy. First, during uncertainty, firms implement more conservative policies. These firms will hold more cash, reduce investment, adjust production, and cut down labor. This behavior leads to a decrease in firms' and aggregate output. Second, households delay investment and reduce expenditure during high uncertainty periods. These lower expenditures and investments will decrease demand and hamper capital formation, which in turn, leads to lower production and economic output.

Besides that, Canales and Lopez-Martin (2024), who used several measures of uncertainty (Economic Policy Uncertainty Index, Emerging Market Volatility Index, nominal exchange rate volatility, domestic stock market index volatility), found that uncertainty has a significant positive impact on price level. They argued that uncertainty motivates firms that are faced with volatile demand and costs to set relatively higher prices as insurance mechanisms and exploit the lack of information by increasing mark-up.

On the other hand, Amisano and Tristani (2019) constructed and estimated a non-linear model and found that high uncertainty will increase demand for precautionary savings, leading to a lower real interest rate. Conversely, the central bank can also increase the interest rate as a response to the rise in price caused by uncertainty.

All in all, domestic and global uncertainty can affect the perceptions and behaviors of firms and households. These changes in behaviors may negatively impact the aggregate economy, including output, investment, price level (inflation), and interest rate.

### **An Empirical Evidence: Time Series Analysis of the Impact of Uncertainty on Indonesia's Macroeconomic Conditions**

To provide comprehensive evidence on the effect of uncertainty in Indonesia, this study estimates a time series using a national sample from 1990q1 to 2024q4. Vector Autoregression (VAR) is estimated, which models each variable in the system as a function of its lags and the lags of other variables in the system (Sims, 1980). The general specification of the VAR is as follows.

$$Y_t = \sum_{k=1}^p \alpha_k Y_{t-k} + \mu_t \quad (1)$$

Where  $Y_t$  is a vector consisting of  $k$  endogenous variables,  $t = 1 \dots T$  periods, and  $Y_t$  is written specifically as:

$$Y_t = [uncertainty \ indpro \ fdi \ cpi \ lr] \quad (2)$$

Variabel of *uncertainty* is the indicator for uncertainty, composed of three different measurements estimated separately, those are: *wui* for World Uncertainty Index for Indonesia which represents political and economic uncertainty, *exc* for the volatility of bilateral exchange rate (IDR/USD) which represents money market and global uncertainty, as well as *idx* for the volatility of Indonesia Stock Exchange Composite which represents

capital market uncertainty. This study investigates the impact of uncertainty on several macroeconomic indicators, consisting of *indpro*, defined as the Industrial Production Index; *fdi*, defined as the proportion of foreign direct investment to nominal Gross Domestic Product (GDP); *cpi*, defined as the Consumer Price Index; and *lr*, defined as lending rates. Variables *indpro*, *cpi*, *exc*, and *idx* are transformed into their logarithmic forms.

Unit root tests show that *fdi*, *cpi*, *lr*, *wui*, *exc*, and *idx* are integrated of order zero,  $I(0)$ , while *indpro* is integrated of order one,  $I(1)$ . It means that in the estimation of VAR, *indpro* will be in first-differenced form. Afterwards, the VAR estimation is performed with 4 lags, following the standard of VAR using quarterly data (Azad et al., 2021). The results are presented in Table 2.

**Table 2. Summary of Vector Autoregression**

	<b>wui</b>		<b>exc</b>		<b>idx</b>	
	c crisis		c crisis		c crisis	
<b>on indpro</b>						
1	-0.001	-0.003	-0.004*	-0.005**	-0.005	-0.005*
2	-0.016	-0.020*	0.006**	0.005**	0.005	0.005
3	-0.006	-0.013	0.002	0.002	0.001	0.002
4	-0.004	-0.006	-0.001	-0.000	-0.002	-0.001
<b>on cpi</b>						
1	-0.008	-0.009	0.006***	0.005***	0.004	0.003
2	0.006	0.003	0.007***	0.007***	0.002	0.002
3	0.024**	0.020	-0.003	-0.003	0.002	0.002
4	0.001	0.001	0.000	0.001	-0.001	-0.000
<b>on fdi</b>						
1	0.112	0.150	-0.175	-0.170	-0.067	-0.030
2	-0.717	-0.624	-0.082	-0.110	-0.059	-0.038
3	0.396	0.504	-0.059	-0.068	-0.043	-0.032
4	-0.433	-0.463	0.096	.106	0.109	0.114
<b>on lr</b>						
1	-0.088	-0.289	0.086	0.002	0.046	-0.040
2	-0.656	-1.074**	0.120	0.076	0.081	0.060
3	1.578***	1.035**	0.083	0.133	0.178	0.208*
4	0.987**	1.013**	-0.006	0.036	-0.126	-0.073

\*, \*\*, and \*\*\* show significance at 10%, 5%, and 1% level. Column "c" uses only constant, while "crisis" includes dummy crisis of Covid-19, 1997-98, and 2008.

The estimation results show that uncertainty significantly affects macroeconomic conditions in Indonesia. First, all measures of uncertainty – *wui*, *exc*, and *idx* – have significant positive impacts on output. Uncertainty drives firms' anticipatory behaviors to reduce production, while households postpone expenditure, ultimately leading to lower industrial demand. However, in the case of exchange rate uncertainty, the fall in output is followed by a corrective increase in the next period. This indicates that the effect of exchange rate uncertainty is temporary and triggers the realization of delayed demand and production.

Second, uncertainty – *wui* and *exc* – contribute to the increase in price level (CPI). Higher uncertainty drives firms to set higher prices as insurance mechanisms and to obtain higher profits in the midst of uncertain information.

Third, uncertainty – *wui* and *idx* – negatively affect interest rates in the two periods after the shock, but positively affect interest rates in the three periods after the shock. There are two opposing mechanisms in play. First, the negative impact of uncertainty on interest rates reflects households' behavior to increase precautionary savings, which leads to lower equilibrium interest rates. Second, the positive impact of uncertainty on interest rates reflects monetary policy responses from the central bank to increase interest rates following higher inflation. This is implied by the positive effect on interest rates occurring only in the same period as, or following, the increase in the price level (CPI).

Besides that, despite no direct significant impact on FDI, the Impulse Response Functions (IRFs) show indirect negative effects from uncertainty on FDI through interest rate transmission. Higher interest rates increase the costs of borrowing, which leads to higher investment costs, ultimately reducing the incentive of foreign firms to invest in the country.

In Indonesia, the impact of political and economic uncertainty on macroeconomic conditions was evident during the COVID-19 pandemic. In those periods, the Russian-Ukrainian war, as well as energy and food inflation, worsened the level of uncertainty, which had been heightened by the global health crisis and economic disruptions due to the pandemic (UNICEF, UNDP, Prospera, & SMERU, 2022). This led to business closures, millions of people lost their jobs, and people fell into poverty. As Indonesia is once again facing heightened uncertainty, decisive steps are needed to maintain economic stability.

## Economy

***The rising global and domestic uncertainty faced by Indonesia has the potential to negatively impact the country's economic conditions. While global uncertainty is difficult to control, the government can still manage domestic uncertainty, which stems from the inconsistent policies and ineffective public communications. Amid heightened uncertainty, the government should formulate policy with prudence and adopt a strategic communication standard to manage the expectations of economic agents.***

### **Policy Recommendations**

Based on the analysis, there are several recommendations to manage uncertainty and ensure the stability of Indonesia's macroeconomic conditions:

- a. Staff of the president and ministries/agencies such as the Ministry of Finance, the Ministry of Trade, the Ministry of Industry, the Ministry of Home Affairs, and the National Development Planning Agency (Bappenas) need to synchronize policy directions and perform policy planning more systematically based on data and academic manuscripts. Prudential principle especially needs to be adopted for policy making which directly affects people's economic capacity (e.g., sales tax) and the business environment (e.g., profit tax and business regulations).
- b. Strategic and effective public communications utilizing various platforms are necessary to manage public sentiment and expectations. The Ministry of Administrative and Bureaucratic Reform needs to provide public communication training for government officials periodically. Official communication standards and protocols should also be adopted by all ministries and agencies.
- c. Bank Indonesia should incorporate uncertainties in the monetary policy response function. This is important as uncertainty is countercyclical, and it increases the price level, which reduces the effectiveness of monetary policy in providing economic stimulus during periods of recession. Coordination between Bank Indonesia and the Ministry of Finance, as the fiscal authority, may serve as the appropriate strategy to stabilize the economy during times of crisis and high uncertainty.

Laws

## The Urgency of Revising the Consumer Protection Law Amidst the Rise of Electronic Commerce

-Sarah Dwi Kautsar-



Photo Source: hukumonline.com

The revision of the Consumer Protection Law is one of the priority agendas in the 2025 National Legislative Program (Prolegnas), which was previously included as a priority in 2023 (Prolegnas Decree, 2023). The revision of Law Number 8 of 1999 concerning Consumer Protection has been proposed and discussed in the Prolegnas since 2023. One of the new substantive matters regulated in the bill is expanding the definition of "consumer" to include legal entities as subjects, thus addressing the debate regarding corporate liability (hukumonline.com, 2025).

In addition, the effectiveness of the Consumer Dispute Settlement Body (BPSK) has become a critical issue in revising the Consumer Protection Law. The law currently stipulates that consumer dispute resolution shall be carried out through BPSK at the regency or city level. However, with the enactment of Law Number 23 of 2014 concerning Regional Government (UU Pemda), this law shifts the authority to manage BPSK to be transferred to the provincial level. This change has led to administrative confusion and a decline in BPSK's institutional performance in many regions. As a result, numerous BPSK offices have been forced to close or have experienced significant budget cuts. Some BPSK panel members with doctoral degrees receive an honorarium of only IDR 500,000, leading to inactive or completely memberless BPSK bodies in many districts/cities (hukumonline.com, 15/3/2023).

This condition illustrates that the current legal framework for consumer protection is no longer adequate in terms of safety, security, and legal certainty, especially in the face of modern trade challenges that are increasingly digital and complex. Therefore, this paper examines the urgency of revising the Consumer Protection Law amid the development of Indonesia's trade sector, the implications of the revision, and how strengthening consumer protection can impact public welfare and the national economy.

### **The Urgency of Revising the Consumer Protection Law**

Several regulations govern the legal protection of both consumers and business actors, including the Civil Code (KUHPer), the Criminal Code (KUHP), Law Number 8 of 1999 concerning Consumer Protection, and Law Number 7 of 2014 concerning Trade. However, both the KUHPer and the Consumer Protection Law were enacted before the digitalization of the trade sector. The formulation of the Consumer Protection Law was influenced by external pressures, particularly from the International Monetary Fund (IMF), which urged Indonesia to adopt a legal framework for consumer protection promptly (Anita D. A. Kolopaking, 2023). Consequently, the substance of the law was largely modeled after the European consumer protection regime and adapted to its legal developments. This orientation resulted in a regulatory framework focusing predominantly on business actors, positioning them as the primary subjects responsible for any harm consumers suffer (Kolopaking, 2023). In light of this, the heightened urgency for consumer-focused legal reform must be addressed in response to ongoing developments in digital trade.

In general, the substance and structure of the Consumer Protection Law contain issues related to grammar, systematics, the liability of business actors, technical aspects of dispute resolution, institutional roles, and technological developments. This situation calls for a reform of the legal framework on consumer protection, especially considering the massive digitalization of the trade sector. One form of such digitalization is the rapid growth of trade through electronic systems (PMSE), commonly conducted via e-commerce. The number of e-commerce users in Indonesia has continued to increase since 2020, reaching 58.63 million users in 2023. The penetration rate of e-commerce in Indonesia also rose steadily to 21.56% in 2023 (Ministry of Trade, 2024).

The growth of e-commerce directly impacts consumer rights and welfare, through legal awareness, protective regulations, and a focus on service and product quality (Prayuti, 2024). In market development, consumers are

typically disadvantaged due to an imbalance in their legal standing compared to business actors (Mazli, 2021). According to the General Elucidation of the Consumer Protection Law, one of the fundamental causes of this imbalance is the low level of consumer awareness regarding their rights. Article 4 of the law outlines the rights of consumers, including: the right to choose and obtain goods/services as agreed; the right to receive correct information; the right to file complaints; the right to protection and guidance; the right to fair and non-discriminatory service; the right to compensation for damages; and other rights provided under prevailing laws and regulations.

Despite these legal rights, consumers often remain unaware when business actors violate their rights. For instance, in March 2023, there was a fraud case via social media platform Twitter. A consumer purchased K-pop merchandise and agreed to pay 50% of the price upfront (Fitriani, 2023). Before transferring the payment, the consumer asked for proof of the product's existence and received a photo with their account name. After transferring the money, the seller immediately deleted their Twitter account. The consumer ultimately suffered a loss of around IDR 800,000 (Fitriani, 2023). This case is an example of the common violations in PMSE, such as violations of the consumer's right to comfort, security, and safety when using goods and/or services, as stated in Article 4 letter a of the law, and the right to clear, honest, and accurate information as stated in Article 4 letter c.

Therefore, although the Consumer Protection Law already regulates consumer rights, it still falls short in accommodating violations specifically in the PMSE environment. In this regard, the law does not yet answer the consumer protection problems arising in today's digital landscape.

### **Problematic Provisions in the Consumer Protection Law**

Based on various discussions conducted by legal academics and practitioners, several provisions need revision through the amendment of the Consumer Protection Law. First, regarding the definition of "consumer" in Article 1 point 2 of the Consumer Protection Law, which states: "Consumer is any person who uses goods and/or services available in the community, for the benefit of themselves, their family, others, or other living beings and not for trading purposes." This definition is considered too narrow, as modern developments have allowed legal entities to act as consumers.

Second, concerning the expansion of the rights and obligations of business actors. For instance, Article 8 of the Consumer Protection Law regulates the responsibility to provide a consumer complaint service, to respond to

and/or follow up on consumer complaints, and to provide compensation, reimbursement, and/or replacement when the goods and/or services used do not meet the standards, technical requirements, and/or qualifications stipulated by laws and regulations or by agreement.

Third, regarding the mechanism for consumer dispute resolution as regulated in Articles 52 to 58 of the Consumer Protection Law, which govern the role and authority of the Consumer Dispute Settlement Body. Although there is already a dispute resolution mechanism through the Consumer Dispute Settlement Body, in practice, its implementation is still far from optimal, especially in terms of regional reach, human resource capacity, and the execution of decisions. In the digital era, electronic dispute resolution should also be incorporated as part of the legal dispute resolution mechanism regulated by law (as discussed in the seminar “The Urgency of Reforming Consumer Protection Law in Indonesia” by Irna Nurhayati, 18/10/2023).

Fourth, the institutions responsible for upholding consumer rights are the National Consumer Protection Agency, the Food and Drug Monitoring Agency, and the Consumer Dispute Settlement Body. In the current Consumer Protection Law, these three institutions are not yet regulated to operate in coordination. Meanwhile, the bill contains provisions that require these institutions to be well-coordinated. Furthermore, the enactment of Law Number 4 of 2023 on the Development and Strengthening of the Financial Sector has also established a new institution for consumer dispute resolution. Thus, regulation regarding these institutions must be well-structured to avoid overlapping roles and ensure coherence in implementing consumer protection efforts.

### **The Implications of Strengthening Consumer Protection on Public Welfare and Economic Conditions**

Strengthening consumer protection through the revision of the Consumer Protection Law can enhance the competitiveness of business actors, particularly small and medium enterprises within the PMSE ecosystem. Regulations establishing uniform protection standards across the market create a level playing field for law-abiding businesses, encouraging healthier business competition (European Parliament, 2019). Legal harmonization at both regional and cross-border levels also opens export opportunities, enabling greater participation of domestic enterprises in international trade. This has been demonstrated in the European Union, where stronger consumer protection has led to a 12% increase in cross-border trade and an average nominal rise of 0.04% per year in intra-EU exports (European

Parliament, 2019). In addition to the European model, Indonesia can adopt foundational principles from cross-border consumer protection efforts within the ASEAN region.

From the consumer's perspective, robust legal protection contributes to greater welfare through various mechanisms, including price reductions, improved access to redress mechanisms, and increased diversity of products and services. Studies show that consumer protection regulations can lower prices by up to 1% and generate consumer surplus of up to €3 billion per year in certain cases (European Parliament, 2019). Furthermore, policies ensuring information transparency and the right to return goods have increased consumer trust in digital transactions, contributing to a 3% growth in online consumption between 2014 and 2017 within the European region (European Parliament, 2019). Therefore, revising the Consumer Protection Law in line with these principles is expected to reduce the imbalance in relationships between consumers and business actors, reinforce a sense of security in transactions, and ensure economic freedom, ultimately producing multiplier effects on general economic growth.

Moreover, stronger consumer protection brings positive macroeconomic impacts, particularly by increasing consumption, gross domestic product (GDP), and job creation. Several regulations in the European Union, especially those related to consumer protection and electronic commerce, have shown that greater consumer confidence in the market can boost cross-border transactions by up to 14%, increase personal consumption by 0.23%, and raise GDP by up to 0.03% in the medium to long term (European Parliament, 2019). These economic effects stem from improved consumer trust in their legal protections, such as ease in filing complaints when goods or services are not as promised, transparency of business actor profiles, and other factors. Therefore, if Indonesia commits to strengthening consumer protection, national economic growth can be fostered through improved market trust and broader consumer participation.

### **Recommendations**

Legal reform in consumer protection through revising the Consumer Protection Law is an urgent and essential necessity. The complexity of transactions in the digital era, particularly in the PMSE ecosystem, which refers to electronic commerce within Indonesia's regulatory framework, has generated new legal dynamics that are not yet fully addressed by the current law. In this regard, the government, particularly the Ministry of Trade through the Directorate General of Consumer Protection and Trade

## Laws

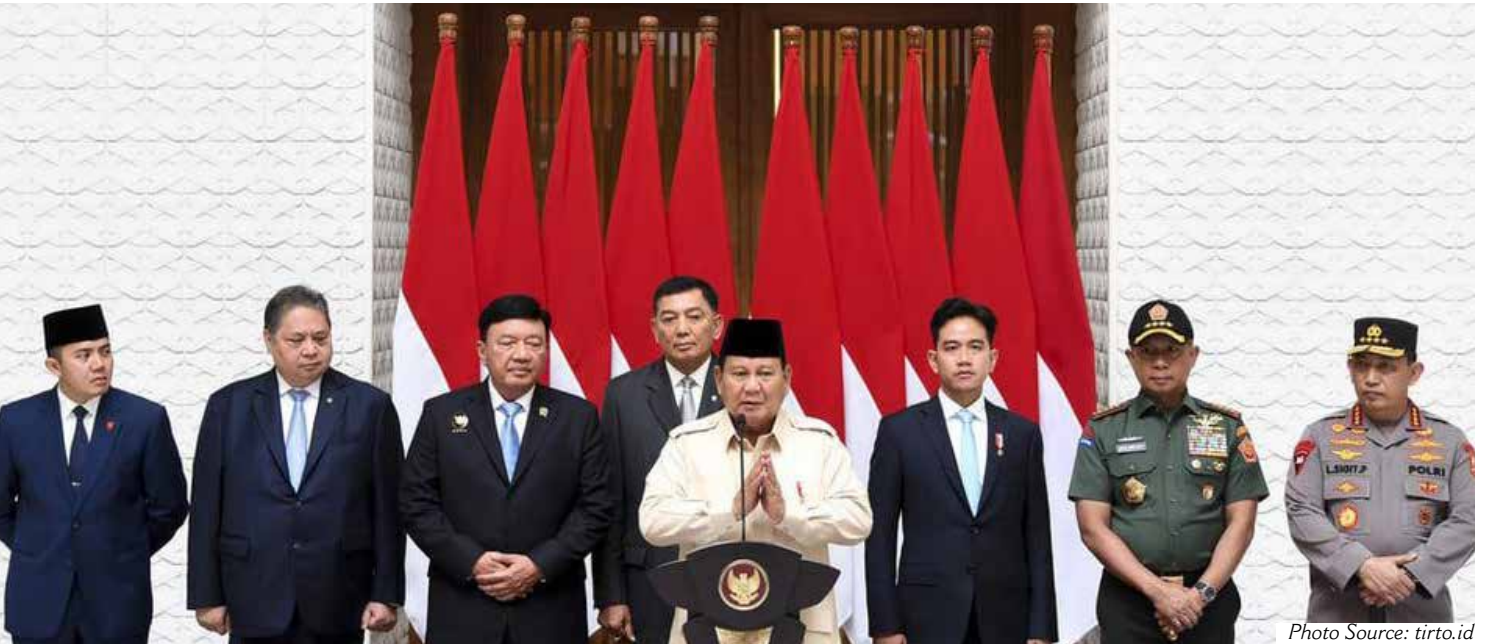
***The current legal framework for consumer protection is no longer adequate in terms of consumer safety and legal certainty, especially in facing the challenges of a digitized modern trade system.***

Order and Commission VI of the House of Representatives (DPR RI), must prioritize the immediate revision of the Consumer Protection Law. This revision represents a strategic step toward establishing a positive legal framework that reflects technological advancements and the changing consumption patterns of Indonesian society. Furthermore, the revision is necessary to reinforce the state's role in protecting its citizens' constitutional rights as consumers. The reform of legal norms within the Consumer Protection Law should therefore be directed not only toward improving the substantive provisions, but also toward strengthening institutional capacity and developing enforcement mechanisms that are responsive to the challenges of digitalization.

Politics

## Public Communication in the Prabowo-Gibran Era: Evaluation of the First 200 Days of Government

-Felicia Primaresti-



Public communication is an essential foundation in modern governance. It is not just the delivery of information from the government to the people but also a reflection of how the state builds trust, explains policy direction, and involves citizens in the decision-making processes. In the context of democracy, effective public communication demands transparency, participation, and clarity of message, not just slogans or images.

The Prabowo-Gibran government, which has officially been running since mid-2014, month October 2024, now entering its first 200 days. This period is often used as an initial benchmark to assess the direction and style of leadership, including how the government communicates with the public. Are the policy messages conveyed well understood by the public? Is communication open and involving the community, or does it tend to be one-way and elitist?

This paper shall evaluate the public communication patterns in the Prabowo-Gibran era during the first 200 days, which refer to the Indonesian Institute's evaluation of Cabinet Red-and-White ministers, the result of which launched and discussed in a media briefing (7/5). The main focus this writing is to look at the gap between what is said and what is

perceived, the extent to which public participation is facilitated, and how transparency and accountability are communicated. It shall also compare these communication practices with more participatory international examples.

### **Between Government Narrative and Public Understanding**

In the first 200 days of the Prabowo-Gibran administration, a number of major narratives were consistently echoed: sustainable development, the downstreaming of natural resources, economic-political stability, and flagship programs such as free lunches for school children. Rosyid Jazuli, a researcher at the Paramadina Public Policy Institute, in an interview on 4/30/2025, said that one of the reasons why the government's performance had not been optimal was because all communications are carried out with a "bombastic" narrative.

This is potentially misleading given the overly emotional narrative and often times are not followed by real policies. Finlayson (2007) explains that emotional grand narratives are often times aimed solely at gaining electoral support.

Although it is not entirely wrong, in policy formulation theory, policy narratives also shape public expectations of the state (Pierson, 1993). If a bombastic narrative is faced with the reality of inconsistent communication, lack of transparency, and minimal public participation, habits like this will form disappointment, cynicism, and even delegitimization of the government in front of its own people.

The most prominent example is the Free Nutritious Meals (MBG) program. Although promised since the campaign period, in the 118th series of the Indonesian Forum held on March 20, 2025, Ni Made Dwipanti as the Head of the Yogyakarta Special Region Research and Innovation Development Planning Agency (Bapperida DIY), explained that until now the regional government had not received a complete explanations of the financing scheme, technical implementations, or coverage of its area related to its implementations. This was then exacerbated by the news about MBG poisoning that continued to roll. Tempo.co (11/5/2025) recorded that up to that date, at least 1315 students were reported to have suffered symptoms of poisoning after consuming MBG meals. The government's communication style in responding to this also did not improve the situation. Reporting from Kompas.com (5/5/2025), Prabowo claimed that MBG was 99.9% successful because poisoning cases were only around 0.005%.

This phenomenon not only reflects the low sensitivity to the problems faced by the community but also indicates a structural failure in the process of evaluating and improving public policy. The recurrence of poisoning cases shows that the problem can no longer be considered a mere incident but rather an indicator of the weak role of the state in ensuring the security and safety of citizens. The government's response tends to be reactive and permissive, and defensive, without comprehensive mitigative measures, suggests the absence of a systematic preventive approach. The absence of learning efforts from previous mistakes has the potential to erode public trust and increase risks to public safety, which should be a top priority in governance.

More far, inconsistent communication public also appears in sensitive issues such as the TNI Law. Not only from the executive side but also communication public from the legislative side. Reporting from Tempo.co (3/25/2025), Puan Maharani, Speaker of the Indonesian House of Representatives, said that the public who were still protesting the TNI Law to read the document in full on the official parliamentary website. The polemics then arose when the manuscript that was requested to be read in full was not disseminated to the public. In fact, the official DPR website on that day could not be accessed. Statements like this are considered impulsive, inconsistent, and often underestimate the importance of clarity.

Another example was also highlighted in the case of Tempo journalists who received a pig's head terror. Hasan Nasbi, who served as Head of the Presidential Communications Office, responded with a sentence that was considered insensitive and belittled the problem. This shows that the problem is not only in who is speaking but in the mindset that an official is free to joke around as he or she pleases.

In general, government public communication has so far not touched on the principles of transparency and participation. The government seems to monopolize the narrative of truth, while the public is positioned as a passive recipient. Amid the need for community involvement, the communication approach used is still old-fashioned, one-way, non-strategic, and fails to utilize various modern, more interactive communication channels.

### **Public Engagement and Transparency**

In an exclusive interview with the President with seven journalists from seven different media outlets in Hambalang, West Java, on April 6, 2025, many parties considered this step as a positive effort to improve transparency

and public communication. This interview opened up space for President Prabowo to explain his positions and policies directly. However, the closed format and limited to mainstream journalists actually gave rise to criticisms.

Felia Primaresti, Research and Program Manager at the Indonesian Institute, in its interview with Tempo (10/4/2025), assessed that this interview should be two-way dialogue space. The format needs to be more open and involve various perspectives, including involving civil society and groups that have been critical of government policies.

A similar view was expressed by Suko Widodo (Tempo, 10/4/2025) from Airlangga University. He emphasized that the spirit of transparency shown by the President needs to be supported by the capabilities of a qualified communications team. The role of the President's assistant in the field of communications is crucial so that the spirit of transparency can be translated effectively to the public.

In the interview, President Prabowo also stated several times that “the people cannot wait” when responding to questions about public involvement. This statement reflects a development approach that is oriented towards speed and results, and implementation policies that tend to top-down but also leaves questions about the space for public participation. If participation is considered to be inhibiting, then there is a risk that openness will only become symbolic. For this reason, public communication in the future needs to be more participatory, open, and aware that listening to the public is an important part of building legitimacy. And credibility of government.

### **How Other Countries Practice**

One example of successful public communication practices comes from New Zealand, especially during the leadership of Prime Minister Jacinda Ardern during the COVID-19 pandemic ( [anzsog.edu.au](https://anzsog.edu.au) , 4/26/2025). The New Zealand government has consistently implemented an empathetic, transparent, and data-driven communication approach. Ardern routinely delivered information through daily press conferences, social media, and live broadcasts . She did not only explain the policies taken, but also conveying the reasons behind the policies in simple language that was easy for everyone to understand.

This success was supported by three important elements; namely, narrative consistency, data transparency, and the direct involvement of political leaders in daily communication. On various occasions, Ardern spoke not only as the head of government but also as a citizen experiencing the same

situation. This created a sense of closeness and increases public trust. According to a report from The Lancet Public Health (2021), the level of public trust in the New Zealand government during the pandemic was one of the highest in the world, which contributed to high compliance with public health policies.

This is also in line with the evaluation notes from The Indonesian Institute regarding 200 Days of Ministerial Performance in the Red and White Cabinet (May, 2025). One of the main findings underlined was the suboptimal ability of ministers to build active and responsive relationships with the media. Many ministers seemed less present in the public space, rarely provided explanations for the policies taken, and tended to be passive in managing developing issues. In fact, in the current era of digital communication and openness of information, the ability to stay well-informed with the media is no longer a complement, but part of an effective government strategy.

In this context, it is important to understand that politics is not merely about technocratic maneuvers or the ability to formulate policies, but also about how the policies are perceived by the public. Murray Edelman in his work “The Symbolic Uses of Politics” (1964) emphasized that public perception of political actions often determined the success of a policy more than the substance itself. This means that even a good policy will not be effective if it fails to be communicated properly.

The lack of involvement of ministers in explaining their policies opens up space for disinformation, speculation and distrust. In fact, the perception is positive in the eyes of the public can strengthen the legitimacy of policies, increase trust in government institutions, and indirectly support political stability. When the public feels heard and given adequate information, and given room for meaningful participation and inclusive, they will more likely to support and be involved in the implementations of the policy. Thus, building active and strategic public communication is not only about image but is an important element in the success of the government as a whole.

### **Recommendations**

- a. The President and the Presidential Communications Office must establish an inclusive two-way communication mechanism and repair skills in communication data - based public and evidence and show sensitivity government to aspiration and condition public . The President and his communications team should not be satisfied with just appearing in limited interview formats with mainstream media.

## Politics

***The Prabowo-Gibran government has entered its first 200 days, a crucial period to assess the effectiveness of public communication as a bridge between government policy and the society. Active, strategic and skilled public communication is not only a matter of image but also an important element in the success of the government as a whole, both from legitimacy and redibility.***

They need to routinely open up discussion spaces with civil society, independent journalists, academics, and critical groups through open forums, online Q&A sessions, or townhall meetings. This is important to build trust, expand policy legitimacy, and absorb aspirations directly.

- b. Ministers are required to actively explain their respective policies in public spaces and the media, and also improve the availability of data on the ministry's official website. each in a way synergistic and apply Open Data principles with commitment One Data Indonesia so that it can be easily accessed by the public. The access to information for public is no only part of the obligation of the government but also a form of public participation in the policy processes.
- c. The Indonesian House of Representatives, especially the Leadership and Commissions, must guarantee access to public information to and participation public in the legislative process. The DPR leadership and the Council 's equipment, along with all its staff, are required to ensure the openness of legislative documents (such as draft bills and minutes of meetings) so that they can be accessed by the public online and easily. This is also important for pushing a meaningful participation of the public in the legislative processes.

Politics

## The Controversy of New Autonomous Region Proposals in Indonesia

-Muhammad Aqil Ersan-



The growing discourse surrounding the proposal for the establishment of new autonomous regions (Daerah Otonomi Baru, or DOB) in Indonesia has drawn significant attention and sparked debate among both legislators and the general public. In a recent public hearing held by Commission II of the House of Representatives, the Director General of Regional Autonomy at the Ministry of Home Affairs revealed that there are currently 341 proposed regional expansions, including six designated as special regions and five as special autonomous regions.

Historically, the implementation of regional autonomy has been officially enacted across Indonesia since 2001. At its core, regional autonomy is intended to grant local governments the authority to manage their own administrative affairs in all domains, except for certain matters that remain under the jurisdiction of the central government (Muksiin et al., 2021). This principle is regulated by Law No. 32 of 2004, which was reaffirmed through the 2014 Law on Regional Government.

Regional expansion has since emerged as a significant consequence of decentralization, with wide-reaching implications across various sectors, including economic development, political dynamics, socio-cultural cohesion, and governance structures. However, such proposals warrant thorough scrutiny. While often justified in the name of administrative efficiency and

improved public service delivery, there are growing concerns that some expansion efforts may be motivated less by public interest and more by the pursuit of political and economic gains among ruling elites (Karim, 2025).

This paper aims to critically examine the complexities and challenges associated with the establishment of new autonomous regions in Indonesia. This paper's introduction provides a contextual overview of the issue. The main discussion explores the contentious debates surrounding the topic, particularly from economic and political perspectives. The final section offers a set of recommendations and alternative policy considerations to ensure that regional expansion efforts align with principles of good governance, equity, and sustainable development.

### **The Debate over the Formation of New Autonomous Regions**

Over time, the issue of establishing new autonomous regions (Daerah Otonomi Baru, DOB) has sparked both support and opposition. For proponents, the essence of regional autonomy in Indonesia is the aspiration for certain regions to become independent administrative entities with their own governance structures. One of the most frequently cited justifications is the perception of injustice and unequal development experienced by communities in certain areas compared to others within the same administrative region (PolGov UGM, 2022).

However, in practice, the process of regional expansion has often led to conflict. A doctoral dissertation by Zaman Zaini highlights the presence of political conflict in the formation of new autonomous regions, using the case study of Musi Rawas Regency in South Sumatra, which focused on tensions among local elites (FISIP UI, 13/4/2025). Inter-regional conflicts have also emerged, such as disputes over water management between Semarang City and Kendal Regency (Supriyanto, 2002). Other recurring issues include boundary disputes, tensions between migrant populations and indigenous communities, as well as various vertical and horizontal conflicts.

An evaluation conducted by the Ministry of Home Affairs revealed that only about 22 percent of the 226 newly formed autonomous regions—spanning regencies, cities, and provinces—have been deemed successful in achieving the goals of regional expansion. The remaining 78 percent are considered to have failed in their development outcomes (Tempo, 23/12/2024). These findings reflect ongoing governance challenges, particularly in meeting public service standards and ensuring the availability of adequate resources.

## **Challenges Behind the Failure of Regional Expansion**

The Director General of Regional Autonomy at the Ministry of Home Affairs, Akmal Malik, stated that the performance of regions resulting from territorial expansion has generally been suboptimal, and the government continues to deliberate over the proposed formations (Tempo, 30/4/2025). Accordingly, a more comprehensive and evidence-based analysis is essential in addressing the polemic of regional expansion—one that goes beyond non-technical debates such as regional sentiment or mere assumptions of power consolidation.

The recurring failures in regional expansion should serve as a critical factor in the government's consideration in maintaining the current moratorium on the formation of new autonomous regions. Evaluating the success or failure of such expansions can be broadly assessed through two major dimensions: economic and political.

### **Economic Dimension**

From an economic perspective, the challenges arising from failed regional expansion are evident in the narrowing fiscal capacity and increasing dependency on the State Budget (APBN). These two factors reflect the dynamics of central–regional relations, particularly in terms of fiscal transfers, which serve as a key instrument in regional development. When regional expansion is pursued without adequate consideration of a region's economic potential, it tends to place a greater financial burden on the central government to cover the transfer costs required by the newly established autonomous regions.

The first economic issue resulting from regional expansion is the shrinking fiscal capacity of the central government. As the number of newly formed autonomous regions increases, the amount of annual fiscal transfers from the central government to local governments continues to rise (Tenrini, 2013). As a logical consequence, national expenditure tends to outpace the growth of state revenue, thereby straining the national budget.

The second economic concern lies in the increasing dependence of new autonomous regions on the State Budget (APBN). This dependency is reflected in the growing volume of intergovernmental transfers financed by the central government. For example, a study by Maulana (2019) estimates that the operational costs required to establish a new provincial government amount to approximately IDR 156 billion, while the preparation costs can

reach up to IDR 4.5 trillion. Furthermore, most new autonomous regions remain heavily reliant on central transfers, as their locally generated revenue (PAD) only covers about 5–10 percent of their overall budgetary needs (Puskaji Anggaran DPR, 2022).

One of the underlying motivations behind the formation of new regions is linked to budgetary politics—namely, the potential to receive increased fiscal transfers from the central government. The creation of new administrative units affects the distribution of Transfer to Regions and Village Funds (TKDD), particularly by reducing the share of the General Allocation Fund (DAU) due to an increase in the number of recipient regions, which alters the allocation formula. Therefore, regional expansion pursued without adequate assessment of local potential only exacerbates the fiscal burden on the central government in financing these new autonomous regions.

### **Political Dimension**

From a political standpoint, the challenges stemming from unsuccessful regional expansion can be viewed through two key areas: the weakening control of the central government, and the emergence of electoral interests and new power structures. These two factors reflect the complex political relationship between the central and regional governments, particularly concerning issues of authority and legitimacy in regional development.

The first issue arises when regional expansion occurs without adherence to strict eligibility criteria. The proliferation of new autonomous regions can significantly weaken the central government's span of control. In governance and organizational theory, the span of control refers to the ability of top management to oversee and coordinate all activities within an organization (Saleh, 2017). In this context, uncontrolled regional expansion undermines the ability of the central government—as the top management authority—to effectively supervise and regulate the growing number of local administrations.

The second political issue resulting from disproportionate regional expansion is the rise of electoral interests and the pursuit of new power structures. This stems from the assumption that the establishment of a new autonomous region must be accompanied by the creation of a new regional administrative apparatus. According to Siti Zuhro, a political researcher at the National Research and Innovation Agency (BRIN), the failure of regional expansion is often driven by elite political transactions, as well as the involvement of power brokers and budgetary intermediaries (Tempo, 23/12/2024).

In practice, regional expansion is frequently exploited as a political commodity, particularly in the lead-up to elections. This raises important questions about who truly benefits from the formation of new regions—whether it serves merely to fulfill the ambitions of political elites seeking new power status over the territories they govern, or whether it genuinely aims to advance the public good and improve community welfare.

### **Recommendations**

Based on the analysis presented above, the following recommendations are proposed regarding the policy and polemic surrounding regional expansion and the formation of new autonomous regions:

- a. In order to ensure that the policy of regional expansion truly addresses local needs, the government—namely the President, the Ministry of Home Affairs, and Commission II of the House of Representatives (DPR RI)—must develop a comprehensive design and clear indicators for evaluating proposals for new regional formations. Such proposals should be grounded in credible academic justifications and rigorous feasibility studies, to minimize political motives and conflicts of interest in the review process.
- b. The President, Ministry of Home Affairs, and Commission II must also ensure that failures in regional expansion do not lead to a regression toward centralized governance. A thorough evaluation involving multiple stakeholders is necessary to reaffirm that the primary aim of regional expansion is to enhance the quality of democracy. It is equally important that the government avoids adopting fragmented and short-term solutions in regional governance, and instead implements context-specific policies that are aligned with the distinct challenges faced by each region.
- c. It is essential for both parent and newly formed regional governments to ensure that any policy, including the establishment of new regions, is directed toward improving public welfare—not merely facilitating elite circulation or power consolidation. Regional governments and other relevant stakeholders must recognize that regional expansion should only be pursued when there is a clear and urgent local need, supported by comprehensive assessments—including central fiscal evaluations and context-based regional analyses.
- d. It is hoped that regional autonomy policies can become more targeted

## Politics

***Proposals for regional expansion must be grounded in comprehensive studies and consideration of the interests of all stakeholders. This is crucial to ensure that new autonomous regions are established to promote the welfare and prosperity of the community, rather than to serve the interests of a select few elites.***

and sustainable, remain relevant to the interests of local communities, and avoid placing a disproportionate fiscal burden on the state while preventing other negative externalities.

Social

## From Climate Crisis to Food Crisis, Waiting for Concrete Government Solutions

-Made Natasya Restu Dewi Pratiwi-



Indonesia is experiencing the severe repercussions of the global climate crisis. One of the most noticeable impacts is the dramatic rise in air temperature. The Meteorology, Climatology, and Geophysics Agency (BMKG) reported that 2024 was the hottest year in recorded history, with an average national temperature of 27.52°C, surpassing the threshold set by the Paris Agreement (BMKG, 2025). This temperature rise marks a critical turning point, threatening public health, food security, and the sustainability of marine ecosystems.

Most recently, rising temperatures have disrupted aquatic ecosystems. According to data from Coral Reef Watch, 80% of the world's coral reefs have experienced bleaching due to increased sea temperatures (CNN Indonesia, April 25, 2025). Coral bleaching has also occurred in Indonesia's waters, specifically in Raja Ampat, home to the world's richest marine biodiversity.

Coral reef degradation must be taken seriously by the government, as it endangers food security derived from the sea. On land, Indonesia's food security also faces threats, notably from the government's food estate program. Intended to bolster food resilience, the program has instead led to deforestation, undermining carbon absorption and climate mitigation efforts.

Rather than enhancing food security, the food estate initiative risks perpetuating failed harvests and impeding diversified agricultural productivity. As of 2025, failed harvests have been reported both on Java and in other regions, attributed to drought, flooding, pollution, and rodent infestations (Katadata.co.id, April 22, 2025). Alarming, these failures have been obscured by ceremonial mass harvest events, such as in Majalengka, despite strong public rejection, including protests from the Merauke Solidarity Coalition, which opposes the erosion of indigenous communities' autonomy over local, diverse food sources.

In light of these interlinked crises, the government must urgently deliver concrete responses by establishing clear priorities in food security policies. A resilient and adaptive food system is imperative, one that is grounded in robust research and meaningful community empowerment. National food security efforts must move beyond an agricultural-centric focus and expand to support sustainable marine-based food production. This article shall identify policy strategies the government should consider in realizing genuine and sustainable food sovereignty.

### **The Consequences on the Horizon**

Should the government fail to invest adequately in climate-resilient food security, Indonesia risks facing serious social and economic fallout. First, a decline in food production could spark social and economic crises, particularly by reducing household incomes. Vulnerable populations—especially those at the lowest economic tiers—are most at risk.

Food production declines could lead to shortages and rising food prices, subsequently eroding household purchasing power and access to nutritious food. This dynamic is especially harmful to households headed by women, as well as those reliant on farming and fishing livelihoods (Koo et al., 2021).

Socially, this inequality in purchasing power could widen health disparities, increasing rates of stunting, reducing access to healthcare, and deteriorating mental well-being. As climate crises intensify, achieving improved public health becomes increasingly difficult. Therefore, accessible and adequate social protection systems are essential to promote community resilience and independence.

In addition, food scarcity driven by climate change has the potential to increase gender-based violence and child marriage. Research indicates that children from households affected by failed harvests and decreased fish

catches face a higher risk of being forced into early marriage (Gambir et al., 2024). Often seen as a survival strategy, families may marry off daughters in exchange for food or livestock, seeking financial relief.

Tragically, girls and women in these environments often lack the freedom to explore alternatives. Early marriage becomes a desperate option to escape hunger, poverty, or domestic violence. This cascade of consequences underscores the multifaceted toll of food insecurity and the urgent need for comprehensive, impactful policies, not populist measures.

Strengthening protections for vulnerable groups affected by the climate crisis must become a central government priority, carried out through inclusive, meaningful public engagement. A critical moment to advance this agenda is the legislative advocacy for the Climate Change Management Bill (RUU Perubahan Iklim), which has been included in the 2025 National Legislation Program (Kompas.id, November 22, 2024).

The involvement of affected communities, such as smallholder farmers and fishers, in drafting this legislation is essential to ensure that policies reflect grassroots realities. The bill should include mechanisms that provide vulnerable populations with access to essential services disrupted by socioeconomic inequality, including education, healthcare, financial aid, and skills training.

It should also address climate-resilient innovations, such as agricultural diversification, adaptive farming technologies, and coral conservation techniques that mitigate the impact of rising sea temperatures. Ideally, the bill will align with the National Adaptation Plan for Climate Change (RAN-API), strengthening protections for women and children vulnerable to climate-induced violence and exploitation.

To achieve food security policies that are adaptive to climate risks, the Climate Change Bill must also regulate marine bleaching responses and land exploitation. Furthermore, the government must develop clear intersectoral policy frameworks to manage the growing risks of food scarcity triggered by hydrometeorological disasters.

Policies ensuring balanced food supply must involve nutrition and economic experts to address regional food access disparities. Government intervention in food prices must be conducted prudently to avoid market distortion and should be supported by efficient distribution systems. This includes channeling surplus food from one region to another, investing in climate-

## Social

***To prevent the looming threats of widespread food scarcity and worsening socio-economic consequences, climate-induced food crises must be addressed now. A collaborative, cross-sectoral approach is essential, backed by robust policy frameworks and sufficient investments in research and technology.***

adaptive agriculture, livestock, fisheries technologies, and providing on-the-ground assistance and capacity-building.

### **Recommendations**

To strengthen Indonesia's food security in the face of climate threats, the following recommendations are proposed:

- a. Commission IV of the House of Representatives (DPR RI) should integrate food security provisions into the Climate Change Bill to foster cross-sectoral collaboration in addressing food scarcity caused by climate-related impacts, whether environmental, economic, or social.
- b. The Coordinating Ministry for Food should engage private sector actors to diversify food sources and deploy technology for high-quality food production, including support for local MSMEs to develop innovative, alternative food products.
- c. The Coordinating Ministry for Food and the Ministry of Marine Affairs and Fisheries should strengthen investments in production infrastructure and technology, such as coral reef conservation and climate-adaptive farming techniques.
- d. The Coordinating Ministry for Food should collaborate with the Central Statistics Agency (BPS), the National Commission on Violence Against Women (Komnas Perempuan), and civil society to develop integrated data mapping climate resilience indexes for agricultural and marine areas. This data should guide the targeted distribution of financial and technological assistance, not only to address production or price issues, but also to capture the social impacts experienced by affected communities, such as economic degradation or increased incidents of violence against women and children.

Social

## Critiquing the Requirement of Vasectomy to Receive Social Assistance

-Nafiah Azmi-



Photo Source: siloamhospitals.com

Governor Dedi Mulyadi stirred West Java on April 29, 2025, by asserting that vasectomy, also known as male sterilization, would become one of the requirements for receiving social assistance (bansos). According to Dedi, vasectomy is a solution to curb the rate of population growth, which he considers the main cause of structural poverty in West Java, while also enhancing male involvement in family planning programs. With fewer children, poor families' financial burdens could be reduced and social assistance could be better targeted (Kompas.id, May 15, 2025).

This statement has sparked controversy and received harsh criticism from various parties, including civil society organizations, academics, and other government agencies. It is considered to oversimplify the issue of poverty by focusing only on the number of children, while ignoring the structural root causes such as access to education, employment, and basic services.

According to data from the Central Statistics Agency (BPS) as of March 2024, the number of poor people in Indonesia reached 25.22 million or 9.03% of the total population, with the poverty rate in West Java recorded at 7.46%. Although there has been a decrease compared to the previous year, this figure still indicates that millions rely on social assistance to meet their basic needs. Meanwhile, the 2025–2029 National Medium-Term

Development Plan (RPJMN) targets a reduction in the poverty rate to 4.5–5 percent as part of efforts toward the Indonesia Emas 2045 demographic bonus.

In this context, any policy that narrowly links poverty to the number of children and uses this as a condition for receiving social assistance risks undermining national development priorities that focus on social welfare, equity, and community empowerment. The proposal to use vasectomy as a social assistance condition must be criticized not only from a technical perspective but also through ethical, structural, and bodily autonomy lenses that uphold fairness.

### **Understanding Vasectomy and Family Planning as Poverty Control**

Poverty in Indonesia is a complex and structural issue. One commonly perceived aggravating factor is uncontrolled population growth. The belief that “more children mean more blessings” is still held, especially among the poor, leading to high birth rates. In conditions where access to education, employment, and social security is limited, many families view children as a future investment to escape the poverty cycle.

In response to demographic pressures, the Family Planning (KB) program has been a nationwide strategy since the New Order era, shaping population control and development policies for decades. This program has been one of the most impactful population interventions in reducing birth rates. However, male participation in family planning remains very low. According to the National Population and Family Planning Board (BKKBN) in 2024, only 2.1% of men participate in family planning, and only 0.1% choose the vasectomy method. Medically, vasectomy is considered safe and has fewer long-term side effects compared to female hormonal contraceptive methods, which often cause health issues like high blood pressure, menstrual disorders, and psychological effects.

However, the low participation rate of men in family planning is not a valid justification to mandate vasectomy as a prerequisite for receiving social assistance. This oversimplifies the poverty issue by presenting birth control as the main solution, without addressing more complex root causes such as structural inequalities, limited access to education, decent jobs, and essential services.

In response to Dedi Mulyadi’s statement, multiple institutions have voiced strong opposition, underscoring widespread concern over the proposal’s

implications. The Indonesian Ulema Council (MUI) of West Java stated that vasectomy is forbidden (haram) as it constitutes permanent sterilization, which contradicts Islamic principles. The National Commission on Human Rights (Komnas HAM) also deemed the policy discriminatory, as it could hinder poor people's access to the assistance they rightfully deserve. The central government, through the Minister of Population and Family Development, emphasized that additional social assistance requirements cannot be imposed unilaterally, especially without considering religious, ethical, and human rights aspects. Coercive policies like this are not only legally problematic but also conflict with principles of justice and equity in distributing social aid, which should be accessible fairly to all eligible citizens without burdensome conditions (Tempo.co, May 15, 2025).

Following widespread public criticism and opposition, Dedi Mulyadi clarified his statement a few days later. In his statement (CNN Indonesia, May 15, 2025), he explained that family planning does not only refer to vasectomy but also includes other male contraceptive methods. This clarification reflects an inconsistent and reactive communication style, lacking public consultation and participation. Yet one of the fundamental principles of public policy ethics is listening to the community before formulating policies, especially when those policies affect bodily autonomy, reproductive rights, and access to social assistance.

If vasectomy is made a requirement for receiving social aid, it could further stigmatize poor communities, portraying them as a burden on the state due to having many children. This also perpetuates the notion that children are an obstacle to aid rather than being a source of social and economic value. Such policies marginalize the choices of poor families who are merely trying to survive within an unequal system. Without adequate education, this approach also risks creating new fears and spreading misinformation about vasectomies, rather than encouraging voluntary participation.

Turning vasectomy into an administrative requirement for accessing social assistance could violate individual autonomy and bodily rights, while also undermining the fairness of public policy. This also contradicts Article 28G paragraph (1) of the 1945 Constitution, which guarantees the right to personal protection and freedom from physical or psychological threats by others, including the state.

## International Comparisons

The prevalence of vasectomy among reproductive-age men in several developed countries exceeds 10%, such as around 17–20% in New Zealand and 10–15% in Canada (United Nations, 2022), with the Netherlands at 10–12% (European Journal of Contraception and Reproductive Health Care, 2018). Governments in these countries emphasize gender equality in contraceptive responsibility and provide reproductive health services that are accessible, safe, and free from stigma. These examples show that successful vasectomy programs rely not on coercion, but on education, gender equality, and good health services. In these countries, the decision to undergo a vasectomy is made consciously and voluntarily, not under policy pressure.

When governments impose strict population control policies, new problems can arise. For example, China's one-child policy led to a significant reduction in birth rates and resulted in a demographic crisis characterized by an aging population, gender imbalance, and labor shortages. South Korea has a big problem with low birth rates. In 2023, the fertility rate dropped to just 0.72. This happens because of social and economic pressures on young couples (Kompas.id, May 15, 2025).

Top-down birth control policies that suppress reproductive freedom can produce long-term consequences that harm the state. If Indonesia mandates a permanent medical procedure like vasectomy as a requirement for social aid, it risks replicating similar policy failures. Fundamentally, the main problem is not the number of children, but the inequality in access to education, healthcare, employment, and social security. Thus, population control policies must be developed through participatory and voluntary means. Educational strategies must be designed to uphold and safeguard the bodily autonomy of every citizen, ensuring informed choices and respect for individual rights as fundamental pillars of a just and inclusive society.

## Recommendations

To achieve social policies that are just, non-discriminatory, and uphold individual freedom and human rights, the following policy recommendations can be considered:

- a. The central and regional governments — particularly the Ministry of Social Affairs, the Ministry of Home Affairs, and the Ministry of Population and Family Development — must guarantee that

## Social

***A just policy does not seek to control, but to enable. The state exists not to restrict the choices of its citizens, especially those already facing barriers to basic services, but to uphold their rights, expand their freedoms, and empower them to build better futures.***

- all family planning policies, including those related to vasectomy, are implemented on a strictly voluntary basis. These policies must be grounded in comprehensive, rights-based reproductive health education and supported by equitable access to quality health services, free from coercion, discrimination, or misinformation.
- b. Improve access to accurate, inclusive, and stigma-free family planning education through public health centers (puskesmas), schools, workplaces, and community-based organizations to raise awareness and participation in male family planning methods, including vasectomy.
  - c. Separate the provision of social assistance from requirements related to personal or bodily autonomy, and ensure that eligibility is based solely on socioeconomic criteria, not reproductive choices.
  - d. Strengthen mechanisms for public consultation and participatory policymaking in designing programs related to social protection and population control, ensuring they reflect community values, religious considerations, and human rights principles.
  - e. Promote gender equality in reproductive health responsibility by improving male participation in family planning, not through pressure, but by enhancing understanding of shared responsibilities in family life and national development.
  - f. Establish independent monitoring and evaluation bodies to ensure that reproductive health policies—including contraceptive promotion—are implemented ethically and fairly, without infringing on the rights of any group.

Social

## The Relevance of the Indonesian Exemplary Father Movement (GATI) in Enhancing Fathers' Participation in Family Development

-Made Natasya Restu Dewi Pratiwi-



Family development issues in Indonesia still fall far short of achieving quality outcomes, particularly in terms of fathers' involvement in child-rearing and the gender gap in contraceptive participation. The dominance of women in caregiving and family contraception decisions persists largely due to a deeply rooted patriarchal culture. As a result, many families in Indonesia face a "fatherless" phenomenon, referring to the physical and emotional absence of fathers in child-rearing.

Indonesia currently ranks as the third most fatherless country in the world (Narasi.tv, May 4, 2023). This serves as a stark reminder that many Indonesian children experience a lack of paternal presence both physically and psychologically. The normalization of maternal caregiving dominance in Indonesia has its roots in colonial legacies, which traditionally divided gender roles by assigning domestic responsibilities to women and income-earning obligations to men.

A 2017 study conducted by the Indonesian Child Protection Commission (KPAI) revealed that only 20.9% of fathers were involved in childcare (Kumalasari et al., 2023). This low level of paternal involvement was concerning, especially given research indicating that active father engagement positively influenced children's emotional, social, and academic development (Utami et al., 2023).

Addressing the unequal caregiving roles within families is essential for Indonesia's long-term goal of cultivating a superior, competitive generation. To address the persistent disparity in caregiving responsibilities, the Ministry of Population and Family Planning Development (Kemendukbangga/BKKBN) formally launched the Indonesian Exemplary Father Movement (Gerakan Ayah Teladan Indonesia, or GATI) on Kartini Day as a strategic initiative to promote greater paternal involvement in family life and reduce the caregiving participation gap (BKKBN, 2025).

While GATI has a commendable goal and is integrated with existing initiatives like the *Marriage Readiness Program and Family Planning Villages* to help fathers and prospective fathers better understand parenting, the policy requires critical examination, it must move beyond numeric targets and strive for real, meaningful impacts on child development in Indonesia. Therefore, this article shall aim to analyze strategies to optimize the GATI program for maximum effectiveness.

### **Key Challenges to Consider**

The first challenge in implementing GATI lies in shifting public perception. The program is not intended to diminish fathers' work productivity, but rather to encourage a more balanced allocation of time that enables fathers to remain actively present in their children's lives. A clear and widespread public understanding of this objective is essential to fostering broader acceptance of the program.

To address deeply rooted patriarchal norms in family caregiving, the government must optimize the dissemination of GATI's educational materials, which are currently in the pilot phase. During this stage, it is imperative to engage religious leaders, community figures, issue-based activists, and grassroots organizations to provide input on educational strategies that effectively reach the target audience. These target groups include fathers of young children, fathers of pre-teens, fathers of unmarried adolescents aged 10–24, and adolescent boys as prospective fathers.

Another challenge stems from the common justification of work-related burdens for low paternal involvement. This can be addressed through targeted education and counseling that encourage equitable caregiving roles within the household. In the long term, outreach should extend beyond *Family Planning Villages* and involve collaboration with the Ministry of Manpower to expand the *Exemplary Fathers Community Consortium* (KOMPAK TENAN) into workplaces and corporate institutions.

With the establishment of KOMPAK TENAN in workplace settings, fathers can access practical guidance on child development and benefit from peer support, both of which are essential for addressing parenting challenges. According to the 2025–2029 Strategic Plan of the Ministry of Population and Family Planning Development (Kemendukbangga/BKKBN), a primary performance indicator for GATI is the percentage of fathers who possess knowledge of parenting and adolescent guidance.

These indicators must be evaluated continuously. Before GATI is implemented in pilot regions, the government should first measure the baseline knowledge of target groups. Other indicators, such as the formation of KOMPAK TENAN and *the Fathers Escorting Children to School Movement*, risk becoming mere formalities unless they directly address the core issues.

There is a real risk that initiatives like KOMPAK TENAN may be created by name only and lack structured activities or sustainability strategies. Similarly, *the Fathers Escorting Children to School* initiative may result in only superficial engagement, such as occasional school drop-offs, without fostering genuine emotional bonds between fathers and their children.

To address this gap, the government must engage experts in psychology, family development, and economics in designing more relevant and comprehensive methods for measuring impact. One critical aspect that remains insufficiently reflected in GATI's performance indicators is the emotional development of children resulting from increased paternal involvement. Yet, this dimension is vital for assessing the program's effectiveness in supporting holistic child development.

Studies also emphasize the importance of involving beneficiaries directly in the program, such as empowering fathers to serve as peer mentors in resolving parenting challenges (Evans & Jakiela, 2024). Fatherhood education sessions should also be adapted to fathers' working hours and include content on gender equality in family development. The educational methods must align with cultural values and gender dynamics while creating safe spaces for fathers to participate meaningfully and sustainably.

Health cadres should be further empowered in the educational process; for example, target participants can engage in role-playing exercises to practice communication techniques with children or participate in activities that involve accompanying their children during play or study. These practices can be implemented when fathers accompany their families to *posyandu* (integrated health service posts), at workplace daycare facilities, or during home visits conducted by health workers.

***To ensure the Indonesian Exemplary Father Movement (GATI) meaningfully enhances paternal participation in family development, the government must move beyond formalistic and short-term policy approaches. The development of GATI guidelines should be grounded in a gender-sensitive framework and actively incorporate the perspectives of target groups, thereby ensuring that implementations are responsive to local contexts and needs.***

## **Recommendations**

Referring to the analysis above, the following recommendations can help bridge the gender gap in building quality family development:

### **a. Participatory Policy Design**

Kemendukbangga and its teams must involve fathers in finalizing GATI guidelines, creating educational materials, and determining evaluation indicators to ensure that their parenting challenges and needs are meaningfully addressed.

### **b. Educational Package Improvement**

The GATI educational materials should include an additional chapter outlining the long-term benefits of equal parenting roles, especially for children's development. The level of participant understanding should be assessed through their active involvement, such as by empowering them to become peer facilitators.

### **c. Meaningful Indicator Development**

GATI's performance indicators should include the program's impact on the increased role of fathers as perceived by their partners and children; the child's emotional, academic, and social development; the program's contribution to boosting male contraceptive participation; and the reduction of domestic violence. Impact assessment should also gather testimonials from partners to evaluate whether GATI successfully eases mothers' caregiving burdens, promotes equal task distribution, and enhances joint decision-making within families.

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