

# The **Indonesian Update**

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

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Hasto's Amnesty and Tom Lembong's Abolition on  
the Reflection of Separation of Powers

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## FOREWORD

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The August 2025 edition of the Indonesian Update presents a critical analysis of the political, social, economic, and legal developments shaping the national policy landscape.

This month's main report highlights the dynamics of the separation of powers through the cases of Hasto's Amnesty and Tom Lembong's Abolition. This paper shall not only examine the legal and constitutional implications but shall also reflect on the interplay of power and the role of strategic actors in shaping the direction of public policy.

In the political realm, we examine the phenomenon of symbolic politics through the "One Piece" flag. This analysis shall examine how symbols and popular culture are used in political strategies to influence public perception, loyalty, and political narratives in the contemporary era.

On the social side, this edition highlights two important issues. First, the *ecoempathy approach to spiritual tourism* development, which emphasizes on the integration of environmental conservation, local community well-being, and sustainable spiritual experiences. Second, the impact of the termination of USAID funding on HIV/AIDS programs in Indonesia, examining how changes in international funding will impact the continuity of critical health services for affected communities.

From an economic perspective, we discuss adapting *the Nordic Model* to Indonesia, evaluating opportunities, challenges, and policy recommendations for improving social welfare. Furthermore, this edition highlights the importance of Pigouvian taxation in climate change mitigation and adaptation, as well as the obstacles faced in its implementations.

Through this edition, the Indonesian Update continues to strive to be a space for critical reflection and a bridge for cross-sector understanding. We encourage readers to go beyond simply following the news to understanding the context, actor interactions, and policy implications for national life.

**Happy Reading.**

## Main Report

# Hasto's Amnesty and Tom Lembong's Abolition on the Reflection of Separation of Powers

-Christina Clarissa Intania-



At the end of July 2025, Indonesia was shocked by President Prabowo Subianto's decision to grant amnesty to Hasto Kristiyanto, the Secretary General of the Indonesian Democratic Party of Struggle (PDIP) who was involved in a corruption case; namely, the bribery of the Interim Change (PAW) of Harun Masiku ([news.detik.com](https://news.detik.com), 4/8/2025). Not only that, the President also granted abolition to Tom Lembong who was sentenced to imprisonment for 4 years and 6 months and a fine of Rp750 million in a corruption case of sugar imports ([tirto.id](https://tirto.id), 2/8/2025). Both of the President's prerogatives have also been approved by the House of Representatives (DPR).

This act of granting amnesty and abolition invited comments from legal experts. Moreover, Megawati Soekarnoputri, the Chairperson of the PDIP Party, declared her support for President Prabowo's government shortly after the granting of the amnesty to Hasto ([national.kompas.com](https://national.kompas.com), 1/8/2025). The Institute for Criminal Justice Reform argues that this was a politically motivated move ([icjr.or.id](https://icjr.or.id)/ 5/8/2025). In the case of the abolition granted to Tom Lembong, Bivitri Susanti, a lecturer at the Jentera College of Law, also said that regardless of Tom Lembong's innocence, this case should have taken legal proceedings in a transparent manner, because it is not an ordinary criminal offense but corruption. Efforts to appeal are also being made, so legal efforts could still be made ([tirto.id](https://tirto.id), 2/8/2025).

Amnesty and abolition are two of the President's prerogatives under the

1945 Constitution of the Republic of Indonesia (UUD NKRI Tahun 1945). However, there needs to be involvement of other branches of power, such as the Supreme Court (MA) and the Parliament in deciding to grant amnesty and abolition. This paper shall examine the dynamics of the separation of powers that may be affected by this latest grant of amnesty and abolition.

### **Presidential Prerogatives**

Indonesia is a country with a government that implements a system of separation of powers. There is a separation of three powers; namely, the executive, legislative and judiciary, all of which are aligned under the 1945 Constitution of the Republic of Indonesia. In carrying out their functions, all branches of powers have their own distinctive functions. There is also an institution that even has its own rights that are not owned by others, namely, the President who has prerogative rights. John Locke (1689) argues that prerogative rights exist partly because the law is unable to accommodate the many problems that exist, so there needs to be a mechanism to provide solutions for the public interest in the absence of law.

Presidential prerogatives, according to the 1945 Constitution, include the appointment of ministers; the appointment of ambassadors and consuls; the granting of pardons, amnesties, abolitions, and rehabilitations; the making of declarations of war and peace; the making of treaties with other countries; the making of declarations of danger; the granting of titles, honors, and other honors; the making of government regulations in lieu of laws in a compelling emergency; the appointment and dismissal of members of the Judicial Commission (KY); and the nomination of three constitutional judges. However, although this prerogative is a “special” right of the president, the reality is that the decision-making process requires approval from institutions in the other branches of power. To ensure that the exercise of prerogatives is carried out accountably, there is a system of checks and balances between these powers to be able to monitor each other’s performance accountability.

According to the 1945 Constitution of the Republic of Indonesia, the following table provides a summary of the prerogatives of the President and the institutions within the other branches of power that contribute to his decision-making approval.

Laporan Utama

Prerogative Rights	Article	Other institutions that take part
Declare war, make peace, and treaties with other countries	11 paragraph (1)	DPR
Appoint and dismiss KY members	24B paragraph (3)	DPR
Declare a state of danger	12	-
Appoint ambassadors and consuls	13	DPR
Granting clemency and rehabilitation	14 paragraph (1)	MA
Granting amnesty and abolition	14 paragraph (2)	DPR
Granting titles, merit badges, and other honors	15	-
Appointing and dismissing ministers	17 paragraph (2)	-
Nominate three constitutional judges	24C paragraph (3)	three other constitutional judges by the Supreme Court and three others by the DPR

*Source: 1945 Constitution, processed by the author (2025).*

According to the summary above, it can be seen that for prerogatives that cross with law enforcement require consideration from the Supreme Court. Meanwhile, those that intersect with issues of representation require the consideration of the DPR. Prerogatives that intersect with political dynamics also require DPR approval.

The involvement of other institutions is ideally to provide relevant perspectives regarding the decisions to be taken. In addition, the consideration of other branches of power is also to avoid any abuse of power that can be committed by the president (Manan, 1998; Fauzi, 2021). Reflecting on history, where the president tended to be more powerful than institutions in other branches of power during the New Order era, the affirmation of the need for consideration of institutions in other branches of power provides a concrete step of accountability as required in *checks and balances*.

### **Amnesty and Abolition**

In relation to amnesty and abolition, these two prerogatives create judicial consequences due to the political nature of decisions emanating from the executive and legislative powers (Joinet, 1985). Amnesties and abolitions have historically been granted for political reasons, public order, and the interests of the state. They are granted to legal subjects who have a fundamental or functional influence on the structure of the state and society.

Under Emergency Law No. 11/1954 on Amnesty and Abolition (Emergency Law on Amnesty and Abolition), amnesty and abolition were granted to persons who, prior to 27 December 1949, had committed a criminal offense that was manifestly the result of a political dispute between the Republic of Indonesia (Yogyakarta) and the Kingdom of the Netherlands. This shows that since the regulation of abolition and amnesty in Indonesia since the Old Order era, abolition and amnesty have been closely related to politically motivated decisions.

Amnesties are generally granted as part of peace agreements or reconciliation efforts (Mallinder, 2008). An example is the peace agreement between the Government of Indonesia and the Free Aceh Movement through the 2005 Helsinki Agreement, which required the granting of amnesty (Fauzi, 2021). The granting of amnesty and abolition must not be contrary to the principles of justice. Amnesties may be considered for those detained for voicing political aspirations through peaceful expression and activity; those who have committed minor crimes; and political prisoners who have suffered unfair trials (Amnesty International, 2002). Amnesty should not be granted to those who have violated human rights; other international crimes, such as genocide and war crimes; the crime of torture; extrajudicial executions; enforced disappearances; and rape (Office of the United Nations High Commissioner for Human Rights, 2009).

Furthermore, the reasons for the interests of the state referred to in the consideration of granting amnesties and abolitions include the general

public interest, such as preventing disruption of constitutional life; and the public interest that is closely related to human rights (Tania, Amiruddin and Ufran, 2022). Hans Morgenthau (1969) further defines national interest as: 1) primary interest, protecting defense and security, political system and national identity; 2) secondary interest, protecting citizens abroad; 3) primary interest, achieving the interests of the state in a certain period of time; 4) variable interest, based on public opinion and domestic political situation; 5) general interest, related to the positive behavior of the state situation; and 6) specific interest, related to certain times and issues.

To grant amnesty and abolition, considerations from the DPR are required by the President. The President needs complete information regarding the substance of the request in order to make the right decision according to the circumstances (National Law Development Agency, 2022). However, in practice, the considerations from the DPR are not binding and must be complied with by the President. Looking back at the 1945 Constitution, the President grants amnesty and abolition “with due regard to the considerations” of the DPR. The phrase “taking into account the considerations” does not provide legal consequences that the president is obliged to follow (Fauzi, 2021).

In the implementations of amnesty and abolition, there are several problems such as the absence of regulations in granting amnesty and abolition. The Emergency Law on Amnesty and Abolition is no longer relevant to the current state of the Indonesian constitution. Thus, this leaves a legal vacuum in granting amnesty and abolition, especially in terms of mechanisms, indicators, and accountability (Fauzi, 2021; National Law Development Agency, 2022).

### **The Case of Hasto Kristiyanto and Tom Lembong**

Before we can relate the act of amnesty and abolition to the dynamics of separation of powers, it is important to understand the context of Hasto and Tom’s case. Hasto was involved in a case of bribery given to former General Election Commission Commissioner Wahyu Setiawan to accommodate Harun Masiku from PDIP so that he could be appointed as a member of the House of Representatives to replace Nazarudin Kiemas who died. Hasto was charged with allegedly obstructing corruption investigations by concealing information and not revealing the whereabouts of Harun Masiku. Not only that, Hasto was also a suspect in the bribery case for the management of DPR members for the 2019-2024 period by contributing money and coordinating the process of delivering bribes through Saeful Bahri and Donny Tri Istiqomah. (kompas.id, 26/7/2025). In its development,

## Laporan Utama

Hasto was not proven to have obstructed the investigation because there was no evidence of Hasto's intent to prevent or obstruct or frustrate the investigation process (Sunoto, 2025).

Hasto was found guilty of bribery and sentenced to 3.5 years in prison based on electronic evidence of *WhatsApp* conversations. This shows the inconsistency of the key witness's testimony regarding the source of the bribe funds, which did not match the evidence of *his WhatsApp* conversation that showed that Hasto provided Rp400 million in bribery funds. This verdict was accepted by Hasto, although he underlined that this case was a form of using the law as a tool of power. Hasto considered that this case had something to do with the political agenda ahead of the PDIP Congress which could intervene in party consolidation (kompas.id, 26/7/2025).

Meanwhile, Tom Lembong's case was alleged corruption of sugar imports when he was Minister of Trade in 2015-2016. The sugar import corruption in question was a permit to import 105,000 tons of sugar through private companies when Indonesia had a sugar surplus with the consideration that there would be a sugar shortage in 2016 of 200,000 tons. In addition, only State-Owned Enterprises (SOEs) are allowed to import white crystal sugar according to the prevailing regulations (tempo.co, 21/1/2025).

In its development, Tom Lembong filed a pretrial, which was subsequently rejected by the South Jakarta District Court (tempo.co, 21/1/2025). In the end, Tom Lembong was found guilty of corruption with a prison sentence of 4 years and 6 months, and a fine of Rp750 million. Tom Lembong's actions at the time in granting the license were considered inconsistent with the results of a coordination meeting with relevant ministries or institutions without the recommendation of the Ministry of Industry. Tom Lembong was also found to have enriched others, namely companies that were granted sugar import licenses by him.

Tom Lembong's lawyer emphasized the political motivation in this lawsuit. No detailed considerations were given regarding the state financial losses mentioned in the lawsuit. A number of procedural irregularities in the judicial process were also noted by Tom Lembong's attorney in the settlement of this case (hukumonline.com, 18/7/2025). Experts such as Didik J Rachbini, one of the founders of the Institute for Development of Economics and Finance (INDEF), also said that this case was a form of political intervention through law that could have an impact on the future of foreign investment in Indonesia (tempo.co, 3/8/2025). This indication was also reinforced by the fact that after the verdict and the granting of abolition, President Joko Widodo admitted that he had given orders to Tom Lembong to import sugar with technicalities given to the relevant ministries (detik.com, 2025).

## **The Elements of Amnesty and Abolition, and Reflections on President-DPR Political Dynamics**

Furthermore, the granting of amnesty for Hasto and abolition for Tom Lembong, according to Minister of Justice Supratman Andi Agtas (2/8/2025), was stated to be purely legal considerations, not political ones. Supratman also explained that the reason was for the interests of the nation and the integrity of the Unitary State of the Republic of Indonesia (NKRI). In the author's opinion, the interests of the nation and the integrity of the Republic of Indonesia are also the reasons for granting amnesties and abolitions in general. However, the statement that amnesty and abolition are purely legal considerations is incorrect.

Based on an observation on the two cases above, it could be concluded that both cases had an intersection with political dynamics. The connection to politics was one of the bases for amnesties and abolitions granted by the President, as explained in the previous chapter. In Hasto's case, he claimed that his lawsuit was based on the PDIP consolidation that was about to take place. Meanwhile, in the case of Tom Lembong, there was a connection that the lawsuit was carried out because Tom Lembong was the opposition, so a lawsuit was carried out as a form of legal politicization. Thus, it could be concluded that this was actually a political decision for consolidation motives, in line with the opinion of Gadjah Mada University Law Expert Zainal Arifin Mochtar (9/8/2025).

The integrity of the Republic of Indonesia, which in turn can be linked to political reconciliation, is a common reason for granting amnesty. This was reflected in the granting of amnesty in the Hasto case. However, it is less appropriate to grant Tom Lembong abolition on the grounds of the integrity of the Republic of Indonesia. This is because if there is a rift between the current government and Tom Lembong, it is not national in nature (Mochtar, 2025). In contrast to previous abolition grants; for example, for the Followers of the Fretilin Movement in East Timor (1977) and the Free Aceh Movement (2005), which were more accurately described the need for "the integrity of the Republic of Indonesia".

The granting of amnesty and abolition for the benefit of the nation, according to the author, is also inappropriate. This is because Hasto and Tom Lembong were acquitted of corruption charges thanks to amnesty and abolition, which is a special crime. If we look back at the limitations of granting amnesty, one of them is that it is granted for minor crimes and for people who do not violate international law. This move has bypassed judicial boundaries, showing the weakness of law enforcement for corruption offenses. Despite the fact that

Tom Lembong's case is formally flawed and that the lawsuit against him was considered political, the granting of abolition for corruption cases still painted a bad picture of Indonesia's corruption eradication. Moreover, Tom Lembong was rumored to still be able to pursue further legal remedies, so abolition should have not been considered an option at this time (Susanti, 2025).

Based on the analysis above, the granting of amnesty for Hasto and abolition for Tom Lembong illustrates a possible attempt by the President and the DPR to consolidate politics. Considering the current government coalition map, the President and the majority of parties occupying the DPR are members of the Indonesia Maju Plus Coalition (KIM Plus), where until before the granting of amnesty for Hasto, PDIP was still outside this coalition (kompas.id, 20/2/2025). With the granting of amnesty for Hasto, PDIP Chair Megawati has immediately given her support to the government (national.kompas.com, 1/8/2025). This has given the impression and gesture that the PDIP is starting to get closer to the government coalition, if not emphasizing that it is in opposition to the government with this statement of support.

The amnesties and abolitions granted have the potential to impact on strengthening the position of the President and the DPR in terms of electability and political axis. As a country with a separation of powers, these actions have the potential to weaken the *checks and balances* between the executive and the legislature, as there is now a clear tendency for the branches of power to be on the same axis.

Ideally, the legislature should be the mouthpiece of the community to oversee and criticize the performance of the executive as the executor of the law. The legislature should also ideally make laws that favor the needs of the people, not only those that support the government. As a country with a healthy democracy, it is important to preserve different views. However, this could not be achieved if the two branches of power are in the same group and interests.

### **Recommendations**

Based on the above, the following recommendations are proposed:

- a. The House of Representatives, the Ministry of Law, and the Ministry of Human Rights, with the involvement of the Supreme Court, need to establish a law that clarifies the indicators, mechanisms for granting, and accountability for the granting of presidential prerogatives, especially clemency, amnesty, abolition, and rehabilitation;

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***As a country with a healthy democracy, it is important that differences of views are preserved in order to maintain a democracy in accordance with good governance and proper checks and balances. However, this could not be achieved if the two branches of power are on the same page.***

- b. The integrity of all law enforcement officials must be upheld to prevent the politicization of law through criminalization, especially cases that have the nature of Strategic Lawsuit Against Public Participation (SLAPP);
- c. The Supreme Court must establish rules related to Anti-SLAPP mechanisms that are more comprehensive and socialized to the district courts;
- d. The President and the House of Representatives should return to using the amnesty and abolition mechanisms according to their channels;
- e. The public needs to understand more about amnesties and abolitions to be able to critically manage information and vote on the President's amnesty and abolition decisions; and
- f. Academics and the civil society need to conduct further studies on other long-term impacts of granting amnesties and abolitions that do not address the root causes of justice in Indonesia.

## Economy

# Adapting the 'Nordic Model' for Indonesia: Challenges and Policy Recommendations

-Putu Rusta Adijaya-



In recent years, research and studies related to the 'Nordic Model' have developed significantly. For example, de la Porte et al. (2022), in their book "Successful Public Policy in the Nordic Countries Cases, Lessons, Challenges", clearly explain the success of the 'Nordic Model' and the challenges of its implementations in the Nordic countries; namely Denmark, Finland, Norway, Sweden, and Iceland.

Generally, the 'Nordic Model' is a welfare state model where economic growth grows rapidly, encouraging competitiveness and also equality through a combination of good governance regarding public policy and public administration (de la Porte et al., 2022). According to numerous comparative findings, the Nordic countries appeared to be better than others in combining economic efficiency and economic growth with stable labor markets, fair income distribution, and social cohesion (Andersen et al., 2007). The Nordic countries are also known for having low inequality. As an illustration, Table 1 shows the Gini Ratio of G7 countries and Nordic countries in 2023.

**Table 1. Gini Ratio of G7 and Nordic Countries in 2023**

<b>G7</b>	
Canada	0.50
France	0.46
Germany	0.47
Italy	0.51
Japan	0.51
United Kingdom	0.47
United States of America	0.59
<b>Nordic</b>	
Denmark	0.42
Finlandia	0.43
Norwegia	0.41
Swedia	0.39
Islandia	0.35

Source: <https://ourworldindata.org/economic-inequality>, accessed 12 August 2025. The data source on the Our World in Data site is the World Inequality Database (2025). The Gini coefficient measures inequality on a scale of 0 to 1. Inequality is measured here in terms of income before taxes and benefits.

Table 1 exhibits that, in general, inequality in the Nordic countries was lower than inequality in the G7 countries. This low inequality indicated that the ‘Nordic Model’, as mentioned previously, had a targeted impact. The Economist (February 2, 2013) also championed the ‘Nordic Model’ as “the next supermodel”. Therefore, this article shall examine the ‘Nordic Model’, good practices that Indonesia could adapt, the challenges of the ‘Nordic Model’, as well as policy recommendations for the administration of President Prabowo Subianto.

## **The ‘Nordic Model’ and the Challenges of Its Implementations in Indonesia**

As an economic model, there are four main pillars in the ‘Nordic Model’ (Mogstad, Salvanes, & Torsvik, March 27, 2025): 1) massive public investment in family policy, education, health services to ensure people have broad access to these crucial services; 2) the existence of influential trade unions with coordinated wage setting across industries; 3) high government spending on social insurance systems that protect individuals against loss of income due to unemployment, disability, and illness; and 4) high taxes and increases in labor income are complemented by subsidies to services that support employment.

Similar statement also previously stated by Andersen et al. (2007) where the Nordic countries have the same characteristics with the main characteristics including: 1) a comprehensive welfare state with an emphasis on transfers to households and publicly provided social services financed by taxes, the amount of which is large especially for wage income and consumption; 2) high government and/or private spending on investment in human resources, including child care and education, as well as research and development; and 3) labor market institutions that include strong unions and employers’ associations, an influential element in wage coordination, relatively generous unemployment benefits, and a paramount role in active labor market policies. In other words, the ‘Nordic Model’ also has elements of high public trust considering characteristics, such as good governance, high social cohesion, competent institutions, prioritizing community welfare, which is also driven by strong institutional leadership, implemented optimally by the Nordic countries.

Caroline de la Porte et al. (2022) explained that decisions and policies accomplished with the principle of subsidiarity, or as close to the people as possible. There are four enablers for success in policy making in the Nordic countries (de la Porte et al., 2022). First and foremost, making inclusive policies. The policy in the ‘Nordic Model’ is careful to ensure many winners. This has the side effect of ‘locking in’ a large number of political parties and stakeholder groups. Second, anticipatory policy making. The principal architects of policy in the Nordic countries take a long-term perspective by involving capable, expert, committed, and influential individuals in important positions.

Third, a strong metanarrative. As explained previously, the ‘Nordic Model’ is a welfare state model. In their policies, Nordic countries continue to

encourage the welfare state metanarrative, such as the *Folkhemmet* (the home of the people) in Sweden and the *Velfærdssamfundet* (the welfare society) in Denmark (de la Porte et al., 2022). Fourth, imitation and combination. The policy reform taking place in the Nordic countries does not stand alone but also studies successful policies in related sectors and other countries. For instance, the emergence of the carbon tax in Sweden was due to the 1989 tax reform that created the need for new revenues to compensate for income tax reductions (de la Porte et al., 2022).

Although the ‘Nordic Model’ seems extraordinarily successful, its implementations in Indonesia could be arduous, gradual, and even take considerable time. For example, in the second enabler for success; namely, making anticipatory policies that rely on long-term thinking, Indonesia itself is still oriented towards a five-year policy cycle, which changes according to the political cycle. In other words, policies change along with the leader and their political interests, as well as the dynamics at that time.

Regarding the metanarrative, Indonesia is still moving on its own and has yet to unite under a single vision. In fact, Indonesia has heterogeneous tribes, cultures, religions, and local wisdom, which are advantages and bound by the national motto *Bhinneka Tunggal Ika*. Even though Indonesia has a strong metanarrative, such as Golden Indonesia 2045, this vision only ‘looks good on paper’ or is limited to ‘black and white’, and lacks the political will to achieve it. Moreover, with the current quality and conditions of the policy process in Indonesia, it could be argued that the policy process does not yet involve technocrats or individuals who are experts, competent, transparent, and responsible.

Therefore, policy recommendations are needed to mitigate these challenges so that Indonesia can adopt good practices from the ‘Nordic Model’ for a more prosperous, just, and equitable Indonesia.

### **Policy Recommendations**

In accordance with the explanations above, the following are recommendations for President Prabowo Subianto’s administration. First, in encouraging policy process reform, all government elements and ministries/agencies must strengthen policy synchronization and ensure the sustainability of existing policies in the long run. This could be supported by a process of meaningful participation, transparency, accountability, as well as good governance and integrity.

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***In encouraging policy process reform, all government elements and ministries/institutions must strengthen policy synchronization and ensure the sustainability of existing policies in the long run. In strengthening the existing shared vision, all elements of the government, both central government and regional governments down to the village level, must have a joint framework and involve various actors to bolster the national metanarrative in accordance with Bhinneka Tunggal Ika. In encouraging technocratic or expert involvement, data and evidence-based policy making, as well as thorough policy studies, are very important to anticipate negative policy externalities and ensure that policies with a freedom perspective are the commitment of all parties.***

Second, in strengthening the existing shared vision, all elements of government, both central government and regional government up to the village level, must have a joint framework and involve various stakeholders (religious scholars, cultural figures, academics, business actors, civil society organizations) to strengthen the national metanarrative based on Bhinneka Tunggal Ika.

Third, in encouraging technocratic or expert involvement, all elements of government, both central government and regional government, to the village level, must be able to strengthen data and evidence-based policy making, as well as thorough policy studies, to improve the quality of existing policies. This is crucial to ensure that the policy process considers potential negative externalities and still guarantees the principle of freedom in its implementation. For this reason, the government must also encourage transparency and integrity in the recruitment of public officials, not only based on political membership or aligned political interests.

## Economy

# The Importance of Pigouvian Tax and the Challenges of Its Implementations in Mitigation and Adaptation to Climate Change in Indonesia

-Putu Rusta Adijaya-



Climate change has become one of the most pressing challenges faced in development and economic growth nowadays because it has had a real and significant impact on the economy, environment, and social conditions of people across the world, including in Indonesia. In the Indonesian context, encouraging readiness in mitigating and adapting to climate change is still a challenge for the existing provincial government.

In a study entitled “*Indeks ND-GAIN di 34 Provinsi di Indonesia Studi Data Tahun 2023, Progress Tahun 2025, dan Rekomendasi Kebijakan*” (ND-GAIN Index in 34 Provinces in Indonesia Study of Data for 2023, Progress for 2025, and Policy Recommendations), Adijaya (2025) argues that provincial governments that have a high Notre Dame Global Adaptation Initiative (ND-GAIN) index are those that have good readiness indicator scores. The ND-GAIN index is an index that summarizes a region’s vulnerability to climate change and other global challenges, as well as its readiness to increase resilience, which aims to help the government, business world and society prioritize investment in order to provide a more efficient response to global challenges that exist in the future (gain.nd.edu, in Adijaya, 2025).

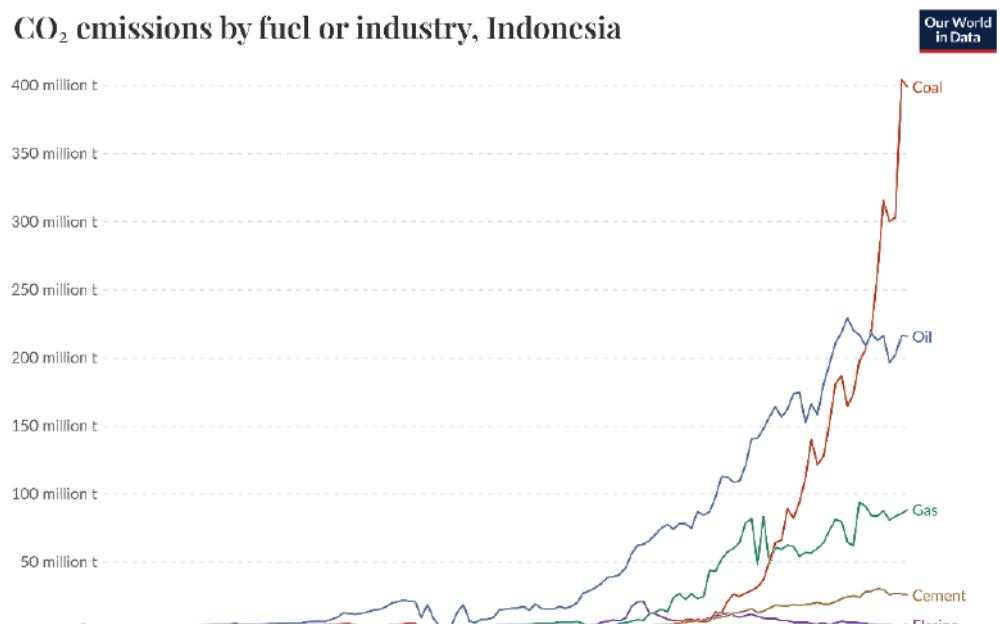
For illustration, the Jakarta Special Region (DK) Province and the Yogyakarta Special Region (DI) Province, which respectively ranked 1<sup>st</sup> and 2<sup>nd</sup> on the 2023 ND-GAIN index, had readiness indicator scores supported by high sub-indicator scores, such as the Economic Readiness sub-indicator. This

sub-indicator was measured using proxy data ‘business competition index by province’, where these two provinces had a high business competition index in 2023, namely 5.71 for DK Jakarta Province and 5.59 for DI Yogyakarta Province.

On the other hand, provinces in Eastern Indonesia, such as Papua Province (ranked 34<sup>th</sup> out of 34 provinces) and West Papua Province (ranked 33<sup>rd</sup> out of 34 provinces), had a low ND-GAIN index because the sub-indicator scores in the readiness indicator were still not sufficiently high, including the Economic Readiness, Governance Readiness and Social Readiness sub-indicators. For example, the business competition index in Papua Province in 2023 was 4.50, or still very far compared to the business competition index in DK Jakarta Province and DI Yogyakarta Province. In fact, in 2025, Papua Province still has a low business competition index value.

Generally, accelerated climate change is caused by greenhouse gas (GHG) emissions, the majority of which are produced by fossil fuel energy. As much as 75 percent of global GHG emissions and 90 percent of carbon dioxide emissions result from burning fossil fuel energy (un.org, accessed August 11, 2025). Graph 1 shows carbon dioxide emissions by fuel and industry in Indonesia from 1889 to 2023.

**Figure 1. Carbon Dioxide Emissions in Indonesia Based on Fuel or Industry, 1889-2023**



Source: <https://ourworldindata.org/co2/country/indonesia>, accessed August 11, 2025.

According to Figure 1, fossil fuels dominated carbon dioxide emissions in Indonesia in 2023, where coal produced the highest carbon dioxide emissions at 399.05 million tonnes, followed by oil (215.93 million tonnes) and gas (88.66 million tonnes). Indonesia's ranking in the Climate Change Performance Index (CCPI) also fell from 36<sup>th</sup> in 2024 to 42<sup>nd</sup> in 2025, or down six places. On the ccpi.org website (accessed August 11, 2025), Indonesia's ranking in 2025 is overall low, where Indonesia gets a medium ranking in the field of Renewable Energy and a low ranking in the fields of GHG Emissions, Energy Use, and Climate Policy.

In environmental economic theory, one of the economic policy instruments used to internalize the negative externality impacts of GHG emissions and other things, such as pollution, is the Pigouvian tax, which is a form of corrective tax (Roach, Lennox, & Codur, 2019; Goodwin et al., 2019). The Pigouvian tax policy in Indonesia is the carbon tax, regulated in Law Number 7/2021 concerning the Harmonization of Tax Regulations (UU HPP).

Therefore, this article shall discuss the importance of Pigouvian tax in mitigating and adapting to climate change in Indonesia, the challenges of its implementation, as well as policy recommendations for the administration of President Prabowo Subianto.

### **Pigouvian Tax in Climate Change Mitigation and Adaptation, Its Policy in Indonesia, and Implementation Challenges**

Pigou (1920), in Błaszczak (2024), explains that the Pigouvian tax is a tax imposed on every economic activity that gives rise to negative externalities borne by the society. The main purpose of Pigouvian taxes is to correct inefficiencies or imbalances within the market that arise due to negative externalities. Pigouvian tax is a form of market-based approach because producers/companies are not required to internalize negative externalities, but regulation through this approach creates strong economic incentives to take action (Roach, Lennox, & Codur, 2019).

If producers/companies have to bear costs through a Pigouvian tax, then there will be an interest for them to reduce; for instance, the resulting GHG emissions, as long as the private marginal cost of internalizing the negative externality is lower than the Pigouvian tax imposed (Roach, Lennox, & Codur, 2019).

As a market-based approach, numerous world-leading economists have advocated Pigouvian taxes for climate change mitigation and adaptation, both directly and indirectly. For instance, Greg Mankiw, Professor of Economics at Harvard University, who also served as Chairman of the Council of

Economic Advisers during the administration of President George W. Bush, invited many prominent figures to his “Pigou Club”, a club that advocated a Pigouvian tax on gasoline. Its members range from politicians to winners of the Nobel Memorial Prize in Economic Sciences (Masur & Posner, 2015).

As mentioned previously, a carbon tax is a form or derivative of a Pigouvian tax. A carbon tax is different from the “cap-and-trade” mechanism, also called “cap-and-permit”. The carbon tax value is included in the price of emissions produced by producers/companies, where the quantity of emissions produced varies. Meanwhile, “cap-and-trade” has an emission price that varies with a predetermined emission quantity (“cap”) (Dellinger, 2023).

Dellinger (2023) also outlines several advantages of a carbon tax over “cap-and-trade”, such as 1) providing predictable energy prices; 2) can be more rapidly implemented; 3) not easily manipulated by certain interests, and so on. However, the combination of the two, that is “cap-and-tax,” is a policy instrument that can be said to provide optimal results for quickly reducing carbon emissions and generating revenue for climate change funding. In terms of policy administration, Indonesia has also implemented “cap-and-tax”, where the carbon tax is stipulated in Law Number 7/2021 concerning the Harmonization of Tax Regulations (UU HPP) and carbon trading through the Financial Services Authority Regulation (POJK) Number 14/2023 concerning Carbon Trading through the Carbon Exchange.<sup>1</sup>

Regarding the carbon tax, Article 13, paragraph (1) of the HPP Law regulates that ‘Carbon tax is imposed on carbon emissions that have a negative impact on the environment.’ Paragraph (5) of the HPP Law states that ‘Subjects of carbon tax are individuals or entities who purchase goods containing carbon and/or carry out activities that produce carbon emissions.’ The value of the carbon tax is explained in paragraph (9), where ‘In the event that the carbon price in the carbon market as referred to in paragraph (8) is lower than IDR 30.00 (thirty rupiah) per kilogram of equivalent carbon dioxide (CO<sub>2e</sub>) or equivalent unit, the carbon tax rate is set at a minimum of IDR 30.00 (thirty rupiah) per kilogram of equivalent carbon dioxide (CO<sub>2e</sub>) or equivalent unit.’

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<sup>1</sup> To read The Indonesian Institute’s study regarding the carbon exchange, please refer to “Efforts to Strengthen and Accelerate the Indonesian Carbon Exchange”, Indonesian Update, Volume XVII, Number 10, October 2023, The Indonesian Institute, <https://www.theindonesianinstitute.com/update-indonesia-volume-xvii-no-10-oktober-2023-bahasa-indonesia/>.

According to the HPP Law, the carbon tax would come into effect on April 1, 2022. However, this implementation will start in 2025 because it takes into account various things, such as the readiness of business actors, economic conditions, institutions, and governance, as well as reporting, monitoring, and verification systems for GHG emissions (pajak.go.id, January 8, 2025). The sector that has been subject to carbon tax is the energy sector, the power generation sub-sector through the Minister of Energy and Mineral Resources (ESDM) Regulation Number 16/2022 concerning Procedures for Implementing the Economic Value of Carbon and the Ministry of Energy and Mineral Resources' reporting, monitoring and verification system have allowed for the operations of business actors in the power generation sector (pajak.go.id, January 8, 2025). However, in the future, the carbon tax will also be applied to the waste, forestry, industrial process and product use (IPPU), and agriculture sectors.

In theory, implementing a Pigouvian tax, such as a carbon tax, will face several challenges. First, regarding the design of the carbon tax. Cuervo and Gandhi (1998) assesses that the design of the carbon tax to be implemented depends on the purpose of the carbon tax and the 'optimal' value of the carbon tax so that the social marginal benefit received by society could be equal to the marginal abatement cost borne by the producer/company.

The Indonesian government itself has targeted the objectives of implementing the carbon tax, such as reducing GHG emissions and climate-related disasters, committing to the Enhanced Nationally Determined Contribution (ENDC), increasing income or funding for climate change mitigation and adaptation, and transforming community behavior. However, the value of the carbon tax currently stated in the HPP Law is still very cheap compared to countries that have imposed a carbon tax and can be said to be not 'optimal'. An increase in the effective carbon tariff (the total price of tradable emissions permits, carbon taxes, and fuel taxes) of €1 (~IDR19,000) would reduce emissions by 0.73 percent over time (OECD, 2021 in Dellinger, 2023). In other words, by imposing a carbon tax of €10 (~IDR190,000) per ton of carbon dioxide equivalent, 7.3 percent of emissions could be reduced. Therefore, the 'optimal' carbon tax value, which is currently being formulated by the government, must be immediately ascertained, considering that there are time-lag and impact-lag factors in the implementation of the carbon tax value. Moreover, President Prabowo Subianto's administration is targeting an 8 percent economic growth during his leadership.

The second challenge is the lack of political support in implementing the Pigouvian tax. Masur and Posner (2015) explained that Pigouvian taxes lack political support because they do not align with or serve parties that have political power. Politically, in the process of formulating policies and

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***The government must immediately regulate and ensure the 'optimal' carbon tax value and the basis for its imposition as mandated in the HPP Law because there are time-lag and impact-lag factors in implementing the carbon tax value. The government must also open up meaningful public participation as widely as possible; for instance, through public hearings and transparency in measuring the 'optimal' carbon tax value, which can be easily accessed by the entire community.***

regulations, there would be bargaining between interest groups, and thus, what is reflected is that regulations or policies benefit a few elites and not the society as a whole.

Generally, Pigouvian tax is a market-based approach instrument, which is considered efficient theoretically because it is designed and measured by considering cost-benefit analysis, namely applying the Pigouvian tax value at the social marginal benefit level, which is the same as the marginal abatement cost. Therefore, looking at the two challenges of implementing Pigouvian taxes, such as the carbon tax, described previously, the following section proposes several recommendations for the administration of President Prabowo Subianto.

### **Policy Recommendations**

The recommendation to face the first challenge is that the government, in this case the Ministry of Finance, must immediately regulate and ensure the 'optimal' carbon tax value and the basis for its imposition as mandated in the HPP Law because there are time-lag and impact-lag factors in the implementation of the carbon tax value. To study the 'optimal' carbon tax value, the Ministry of Finance could collaborate with the Ministry of National Development Planning/Bappenas, the Coordinating Ministry for Economic Affairs, the National Research and Innovation Agency/BRIN, and ministries/institutions related to the sectors that will be subject to the carbon tax.

The recommendation to face the second challenge is that all elements of government, both executive and legislative, must be able to integrate the Pigouvian tax mechanism into the long-term national development framework and agenda. The government must also open up meaningful public participation as widely as possible. For instance, through public hearings or transparency in measuring the 'optimal' carbon tax value, which can be easily accessed by the entire community.

## The Symbolic Politics of the “One Piece” Flag

-Felicia Primaresti-



Recently, Indonesia has been enlivened by the phenomenon of raising the flag of the Japanese animated series “One Piece” ahead of Independence Day on August 17, 2025. According to media reporting from detik.com (7/8/2025), the “One Piece” flag, also known as the Jolly Roger, in the context of Japanese manga and anime is a symbol of resistance against injustice and dissatisfaction with the government. In the story of “One Piece,” this flag symbolizes the spirit of fighting for freedom, rebellion against authorities considered tyrannical, and solidarity among pirate crews who oppose injustice.

In Indonesia itself, the use of anime symbols, not only “One Piece,” often appears in the context of politics and popular culture. This phenomenon is increasingly visible in various political moments, especially during the 2024 Presidential Election campaign. Several presidential and vice-presidential candidates are utilizing the popularity of anime to approach young voters in fresher and more relatable ways. For example, Anies Baswedan who shared a moment watching the series “Attack on Titan” (detik.com, 12/18/2023), Gibran Rakabuming who wore a “Naruto”-themed jacket during the vice-presidential debate (CNN Indonesia, 1/21/2024), and Ganjar Pranowo whose supporters created content resembling the character “Gojo Satoru” from “Jujutsu Kaisen” (Okezone, 10/26/2023).

In the context of “One Piece” itself, its symbols and characters have long been used by a number of public figures and officials in Indonesia as a form of political identification and communication. For example, Gibran Rakabuming was highlighted wearing a “One Piece” pin during the presidential debate, or Sri Mulyani who posted an image of the Luffy character on her social media on July 30, 2023. In fact, in the 2024 Legislative Elections, a number of legislative candidates in Bekasi and Blitar used the Luffy figure on their campaign billboards ([beritajatim.com](http://beritajatim.com), 9/12/2023). This shows that anime symbols, especially “One Piece,” not only function as visual promotional tools, but also as metaphors of struggle and political tools that can attract public attention, especially voters from the younger generation.

The phenomenon of political figures using anime symbols or references demonstrates a communication strategy attempting to engage a younger generation familiar with a global pop culture. This is a form of “political branding” that seeks to create an emotional connection with young voters, who may feel underrepresented by conventional politics. Anime, popular among young people, can serve as a “bridge” to convey political messages in a more lighthearted and accessible way.

On the one hand, the use of symbols like the “One Piece” flag can strengthen the spirit of unity and motivate change among the younger generation. On the other hand, it can also spark controversy, especially if it is perceived as disrupting nationalist values or giving rise to misunderstandings, such as if the symbol is perceived as a form of treason or a violation of constitutional law.

Coordinating Minister for Political and Security Affairs Budi Gunawan; for example, emphasized the legal consequences of raising the flag ([detik.com](http://detik.com), August 2, 2025). This statement was immediately followed by criticism from several members of the House of Representatives, such as Herman Khaeron from the Democratic Party faction, who called the action unethical, and Firman Soebagyo from the Golkar Party faction, who considered the raising of the “One Piece” flag a form of decline in understanding of the state ideology and even called it a dangerous provocation ([Kompas.com](http://Kompas.com), August 1, 2025).

On the other hand, the Speaker of the People’s Consultative Assembly (MPR), Ahmad Muzani, offered a very different view, assessing the raising of the Jolly Roger flag as an expression of public creativity ([Kompas.com](http://Kompas.com), 3/8/2025). This statement indicates friction and disharmony in the attitudes of state officials towards the same phenomenon. One factor that may explain this disharmony is the difference in paradigms regarding leadership positions (Heslin & Keating 2017).

These findings align with Rosyid Jazuli's statement from the Paramadina Public Policy Institute in an interview on May 2, 2025, regarding the Indonesian Institute's evaluation of the 200-day performance of the Red and White Cabinet ministers, the results of which were discussed in early May. Rosyid emphasized that in Indonesia, the prevailing view is that becoming a leader is the end of a political career. According to this view, once someone has assumed a leadership position, they tend to feel no need for further learning or capacity development. This includes developing their capacity in public communication, transparency, and dialogue with the public.

Meanwhile, at the community and security forces level, strict oversight of the removal of controversial "One Piece" murals and symbols continues. These mural removals have occurred in various regions, including Sleman, Yogyakarta ([detik.com](#), August 7, 2025), Semarang ([regional.espos](#), August 8, 2025), and Sragen ([tvonenews](#), August 4, 2025). The authorities involved in this process have given the impression that government policy is leaning more toward a repressive approach than a dialogical and communicative one.

Conflicting statements from various government officials demonstrate a lack of coordination and understanding in addressing the same issue. While the Coordinating Minister for Political, Legal, and Security Affairs and members of the House of Representatives (DPR) expressed a strong stance and threatened legal sanctions, the Speaker of the People's Consultative Assembly (MPR) offered a more lenient assessment and even supported the move as a form of creativity. This dissonance indicates a weak internal communication mechanism between the government and other public officials, which should ideally produce a unified official voice. As a result, the public is confused about the messages being conveyed, contributing to legal uncertainty and social unrest.

The phenomenon of raising the "One Piece" flag in Indonesia ahead of Independence Day on August 17, 2025, demonstrates the fragility of the current government's legitimacy and the inconsistency in its communication and social control strategies. From the perspective of sociologist Max Weber, power is only legitimate and effective if it is recognized and accepted by the society at large. However, if that power begins to face challenges and criticism, the state tends to change the "rules of the game" through legal mechanisms and security narratives to maintain control and legitimacy, in the name of harmony, stability, and public order.

Initially, the government used popular cultural symbols like anime characters and the "One Piece" flag to build closeness and recognition among the public,

especially the younger generation. These symbols served as a more flexible and accessible means of legitimizing power. However, when these same symbols began to be used by community groups to express criticism and resistance to authority, the state responded by criminalizing such actions.

For example, a legal warning from the Coordinating Minister for Political and Security Affairs and a statement of opposition from members of the House of Representatives calling such flag-raising unethical and dangerous. Inconsistency also weakens the legitimacy of power by demonstrating the government's inability to address the dynamic and diverse aspirations of the people.

Also, within the framework of Travis Hirschi's (1969) theory of social control, the state uses law and security narratives as instruments to control symbolic expressions deemed threatening to stability. The removal of murals and strict surveillance by authorities in several areas are evidence of repressive social control practices. However, these methods actually indicate the government's lack of social sensitivity in capturing public aspirations and accommodating criticism through dialogue.

A Cornell University academic study (2024) noted that during the July 2024 pro-democracy movement in Bangladesh, visual symbols, such as the color red, memes, and hashtags, shared on Facebook played a crucial role in shaping collective identity and strengthening solidarity. This strategy demonstrates how visual symbols and online rhetoric can be used to construct a cohesive and persuasive political message. A similar phenomenon was also seen in Malaysia through the work of Fahmi Reza, who produced political graffiti depicting a "clown-faced" portrait of Prime Minister Najib Razak (Lee, 2017). The work was widely disseminated across various media outlets and openly allowed for public remixing, combining artistic expression, personal branding, and bold yet inclusive political resistance.

Meanwhile, in London, the "rebel clowning" movement utilized humor and parody as creative tactics in protest (Financial Times, January 25, 2025). This approach successfully reduced tensions, built public empathy, and conveyed political messages elegantly, all while attracting media attention. Interestingly, in both Bangladesh, Malaysia, and the UK, these creative actions did not receive a repressive response from the state. This demonstrates that peaceful symbolic expression can be accommodated as part of the freedom of expression space without being perceived as threatening political stability.

Overall, this phenomenon illustrates how the relationship between symbolic legitimacy and social control is dynamic and often conflicting. While the state

***The phenomenon of using popular cultural symbols in people's creative actions is increasingly appearing in public spaces. In a democratic context, this type of expression could be an effective medium for political communication, as long as the message is clear and understandable to all parties. Therefore, mutual respect is needed between civil society and the authorities to ensure that space and freedom of expression, as well as citizen participation, are maintained without fear of criminalization, while still maintaining order and security.***

attempts to maintain legitimacy by restricting critical public expression, its inconsistencies and repressive approach have the potential to erode public trust.

### **Recommendations**

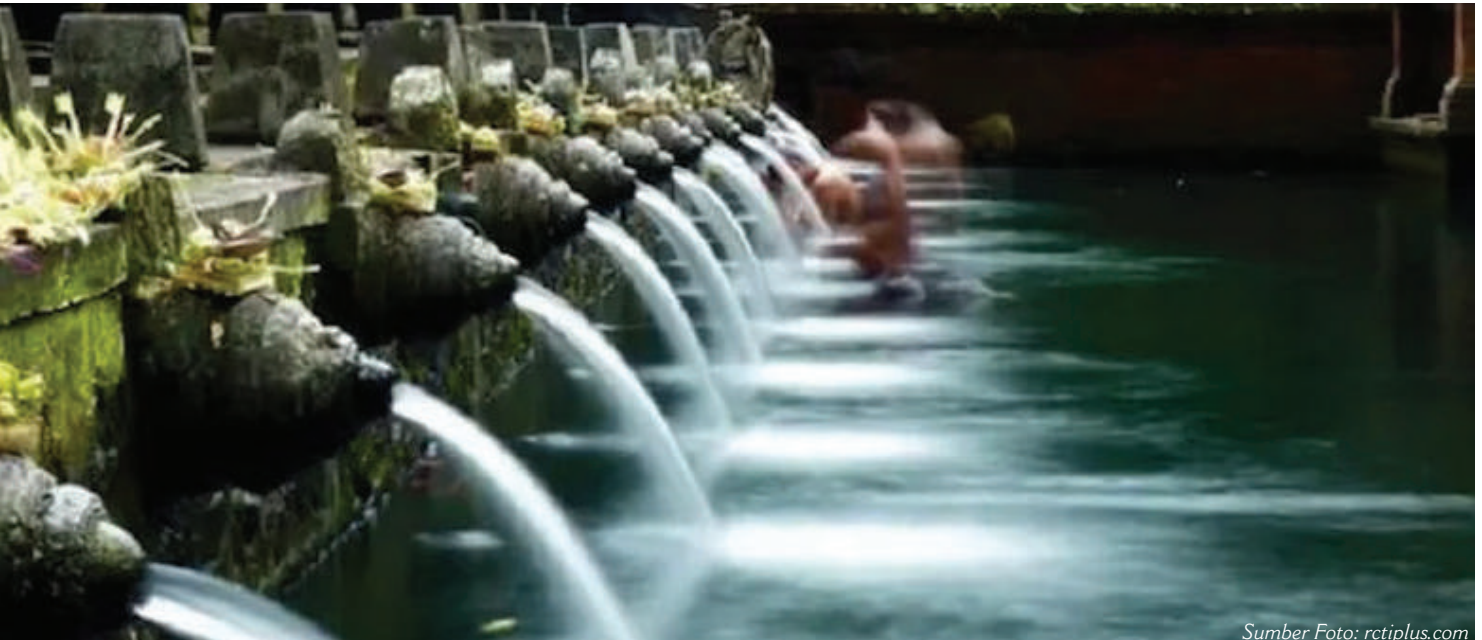
Here are some recommendations based on notes and analysis of the topic of this article:

- a. The Central Government (Coordinating Ministry for Political, Legal, and Security Affairs, the House of Representatives (DPR), and the People's Consultative Assembly (MPR) need to establish a consistent official voice regarding the government's stance on the phenomenon of raising popular cultural symbols, create an open dialogue with the public, especially the younger generation, and conduct a review of regulations regarding the use of non-national symbols to prevent them from becoming unclear and overlapping, and threatening freedom of expression.
- b. The authorities must prioritize a persuasive and dialogical legal approach, based on human rights and freedoms, in dealing with issues of murals and popular cultural symbols, rather than resorting to repression and removal without prior outreach.
- c. For the civil society, creative actions should be designed with a clear message so the public understands their purpose and meaning. This minimizes the potential for misunderstanding and increases the support of the collective movement from various parties. Opportunities for dialogue with officials or policymakers should be utilized not only to explain the context of the symbols used but also to convey the aspirations behind them.
- d. Furthermore, it is important to build advocacy networks with artists, academics, and journalists to strengthen the narrative that freedom of expression is an integral part of democracy, collaborative, and inclusive, while still respecting applicable legal corridors.

Social

## Ecological Empathy Approach: A Pathway to Advancing Spiritual Tourism in Indonesia

-Made Natasya Restu Dewi Pratiwi-



Sumber Foto: rctiplus.com

Since the COVID-19 pandemic, spiritual tourism in Indonesia has grown rapidly, driven by more people seeking travel that offers not just places to visit, but also meaningful experiences for spiritual growth and mental well-being. As evidence, by 2023, more than 1.2 million foreign tourists visited Bali for self-healing programs (Ministry of Tourism and Creative Economy, 2023).

This trend shows no signs of slowing. A 2025 survey revealed that 56.41% of tourism experts anticipate a continued shift in tourist preferences toward wellness and healing destinations (Ministry of Tourism, 2025). The Global Wellness Institute (2025) also reported that 23% of global travelers named Bali among the world's top destinations for health, healing, and spirituality. Harnessing this momentum requires strategic action, developing Indonesian tourism models that foster deeper connections between visitors and nature while aligning with global wellness travel trends.

Spiritual tourism packages already offer rich potential. Experiences such as *melukat* (a sacred water purification ritual), yoga, meditation, and immersive nature-based activities, forest bathing, mountain climbing, and birdwatching, are increasingly sought after (Wirawan, 2025). These activities are valued for their ability to bring inner calm and help relieve stress and anxiety. Yet, despite this vast promise, Indonesia still lacks a dedicated regulatory framework to guide the growth of spiritual tourism.

Nevertheless, national policies, such as the Minister of Tourism and Creative Economy Regulation Number 9 of 2021 concerning Guidelines for Sustainable Tourism Destinations, and regional policies, such as Bali Governor Regulation Number 28 of 2020 concerning Tourism Governance, can provide an important foundation for developing sustainable spiritual tourism, based on local community empowerment, and encouraging local economic growth. This paper proposes the ecological empathy approach as a strategic framework to fully unlock Indonesia's spiritual tourism potential.

### **Ecological Empathy Practices in Spiritual Tourism**

Ecological empathy is vital in shaping spiritual tourism that builds a deep bond between people and nature, promoting physical, mental, and social healing. It strengthens the awareness that humans are inseparable from nature, fostering inner fulfillment and a lasting commitment to protect the environment.

Research shows that ecological empathy aligns with *green healing* or nature-based “recipes” that hold strong potential for preventing illness in both present and future contexts (Hinde et al., 2021; Isham et al., 2025). This approach, often referred to as ecotherapy, uses intentional human interaction with nature as a healing practice, making it deeply relevant to Indonesia's spiritual tourism landscape.

Take Ubud; for example. It is internationally recognized as a healing hub, known for meditative spaces, yoga, and *melukat* ceremonies. Preserving this reputation requires embedding ecological empathy into the mindset of both local communities and tourism managers. It is hoped that this principle could be applied to ensure the sustainability of destinations that do not damage the environment. Furthermore, this principle could help guide tourists in finding a connection with nature and maintaining the sacredness of tourism developments. Thus, this approach could serve as a check on the potential exploitation of nature and degradation of the sacredness of destinations due to excessive commercialization.

Ecological empathy is not only an environmental safeguard; it also delivers measurable well-being benefits. Tourists who develop a sense of connection with nature often experience greater resilience, stronger social bonds, reduced loneliness, lower stress, deeper life meaning, inner strength, and enhanced happiness (Miliman et al., 2018; Bell et al., 2023; Wirawan, 2025).

To optimize the positive impact of spiritual tourism, Indonesia needs to address the various challenges that persist in its tourism development.

According to the World Economic Forum's 2019 report, Indonesia still scored among the bottom 20% of countries on environmental sustainability indicators. This means that Indonesia's tourism development still needs to be managed effectively to prevent negative environmental impacts.

By making environmentally conscious tourism a core priority, Indonesia could strengthen its global image as a responsible destination, meet the rising demand for healing tourism, and build long-term visitor loyalty. Ecological empathy should be integrated into the national roadmap for developing spiritual, health, and wellness tourism.

The development of this roadmap could be coordinated by the National Council for Medical and Health Tourism and local tourism offices to establish a clear mandate for destinations to adopt an ecologically empathetic approach. With Bali already designated as a Special Economic Zone (SEZ) for tourism and health, integrating spiritual tourism into its health initiatives could establish it as a global hub for healing tourism, complementing health interventions that have been proven to have a positive impact on healing.

To ensure alignment, this roadmap must be grounded in existing regulations such as the Minister of Tourism and Creative Economy Regulation Number 9/2021 and the Bali Governor Regulation Number 28/2020, ensuring policy synchronization while supporting environmental preservation, cultural continuity, and local empowerment. Crucially, these policies must also address the over-exclusivity of spiritual tourism, which is often dominated by foreign operators and priced beyond the reach of most domestic tourists.

Moving forward, the disparity in the image and experience of spiritual tourism destinations between domestic and international tourists needs to be addressed by implementing inclusive tourism and empowering local actors. The rate of land conversion due to tourism development is also a crucial aspect that Indonesia needs to address. Future expansion of tourism and wellness destinations must not be carried out at the expense of destroying the green and sacred spaces that were previously a major draw for Indonesia, particularly Bali, on the international stage.

### **Learning from Global Successes**

Ecological empathy policies have been highly valued in other countries, even integrated into public health interventions. For example, Finland, Ecuador, and Japan have integrated nature and spiritual tourism as a health-healing prescription for patients with chronic illnesses, mental health issues, the elderly, and to reduce loneliness (Robinson *et al.*, 2022; Guerrero *et al.*,

2021; Song *et al.*, 2022). Various countries have integrated travel packages as part of national health insurance and provided standardized certification for tourist assistance to local tour guides.

To ensure inclusive access, these countries are also actively developing disability-friendly tourism infrastructure and providing capacity-building assistance to local guides so that they could design tours that remain affordable. Another important principle that needs to be emphasized in ecological empathy policies is ensuring the involvement of local communities, such as traditional village administrators, in governance and monitoring.

All of these factors are crucial for building a two-way sense of ownership between the government and tourism operators. This sense of ownership, skills transfer assistance, integration of healthcare services into tourism, and certification of local guides are lessons learned from other countries that Indonesia can apply to developing inclusive, high-quality spiritual tourism.

### **Recommendations**

To apply ecological empathy in optimizing Indonesia's spiritual tourism, the following actions are recommended:

#### **a. Develop a National Roadmap**

The National Council for Medical and Health Tourism, the Ministry of Tourism, and the Ministry of Health should jointly create a health-spiritual tourism roadmap. This should include ecological empathy principles, the integration of healthcare packages with local healing destinations, access to certification for local guides, ecological audits, and sustainability measures for healing tourism.

#### **b. Empower Local Governance**

Local tourism offices should partner with traditional villages or local governments to create participatory, inclusive, and contextual governance, reducing the dominance of foreign or large-capital operators.

#### **c. Strengthen Civil Society Involvement**

NGOs and community groups should support local operators in designing high-quality, environmentally and culturally sustainable spiritual tourism packages. Activities could combine conservation education (e.g., coral reef restoration) with teachings from local culture or religion on environmental stewardship.

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*As the global appetite for healing tourism grows, spiritual tourism stands as a frontier where Indonesia can excel, combining economic opportunity with environmental stewardship. Integrating healthcare services with healing tourism, grounded in ecological empathy, is the key to building destinations that are not only profitable but also spiritually enriching, environmentally conscious, and empowering for local communities.*

### **d. Measure Health Outcomes**

Government, academia, and civil society should collaborate to assess the health impacts of spiritual tourism experiences. For example, Indonesia could measure tourist happiness indexes, disaggregated by gender and traveler type, and map them spatially as evidence for improving tourism quality.

Social

## USAID Funding Cessation: Examining the Fate of HIV/AIDS Programs in Indonesia

-Made Natasya Restu Dewi Pratiwi-



Sumber Foto: andme.in

Nearly seven months after the termination of United States Agency for International Development (USAID) funding, various health care sectors in Indonesia have been impacted. Among those affected are programs for the prevention and care of Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome (HIV/AIDS).

The disruption to HIV/AIDS services has occurred due to the withdrawal of funding from the United States, particularly from the President's Emergency Plan for AIDS Relief (PEPFAR). This has disrupted the supply chain of antiretroviral drugs (drugs that reduce the ability of the HIV to replicate), *pre-exposure prophylaxis* (PrEP-HIV prevention medication for people without HIV), availability of prevention services, HIV test kits, condom stocks, and community-based care and advocacy, to the point of hampering the sustainability of HIV/AIDS-related research (UNAIDS Indonesia, 2025).

According to the 2025 Global AIDS Report, although Indonesia has increased domestic budget allocations for HIV/AIDS programs, international support still dominates program implementations. This dependence on international funding stems from the lack of dedicated government funding schemes, ranging from taxes to partnerships with the private sector, that could gradually replace donors. Furthermore, fiscal pressures have increased

following the pandemic, further straining domestic HIV funding allocations. Consequently, individuals diagnosed with HIV/AIDS in Indonesia face barriers in accessing community-based services, which typically target key populations (those at high risk of HIV infection).

Thus, this funding cut could threaten the sustainability of HIV/AIDS prevention and treatment programs that have been instrumental in preventing new HIV infections in Indonesia. Currently, an estimated 570,000 people are living with HIV in Indonesia. Of these, only 31% have access to treatment, and only 14% have controlled HIV levels (UNAIDS Indonesia, 2025). This means that disparities in access to treatment remain a major challenge in addressing HIV/AIDS in Indonesia.

Without public health-based policies and political commitment, this funding cutoff will further diminish the quality of life for thousands of people living with HIV (PLHIV). This decline in quality of life could occur due to the loss of access to comprehensive services, which could exacerbate the progression of the virus in infected individuals. If viral levels in PLHIV are not controlled within the appropriate threshold, this could increase the risk of systemic HIV transmission, thereby reducing the potential life expectancy of those living with HIV.

This contradicts the government's obligations under Article 28H paragraph 1, which stipulates the fulfillment of the right to a prosperous life for its citizens through the right to obtain health services. Without a sustainable funding scheme to prevent the interruption of HIV services, Indonesia has ignored its commitment in the 2021 United Nations Political Declaration on HIV/AIDS, which mandated Indonesia to end the AIDS epidemic by 2030, subject to the provision of sustainable funding and human rights-based services. Therefore, this paper shall aim to criticize the impact of the termination of USAID funding on the progress of handling HIV/AIDS in Indonesia and the efforts that can be made to mitigate it.

### **The Impact of USAID Funding Cessation**

The termination of USAID funding for HIV/AIDS prevention has hampered progress in treatment for HIV/AIDS patients co-infected with other infectious diseases, such as tuberculosis and hepatitis (Atma Jaya Catholic University HIV/AIDS Research Center, 2025). The interruption of HIV treatment for co-infected individuals is also a challenge currently facing Indonesia. If this situation is left unaddressed, the risk of virus transmission from co-infected individuals with HIV would increase. This would then worsen public health and increase the burden of infectious disease costs.

Globally, UNAIDS 2025 also explained that this funding cut could potentially trigger a new wave of HIV/AIDS epidemics. According to UNAIDS modeling, the PEPFAR funding cut would result in 4 million AIDS-related deaths and more than 6 million new HIV infections by 2030. If the Indonesian government does not immediately expand the potential for alternative funding, then the interruption of HIV/AIDS treatment could push Indonesia and the world back to the 2000s, when the number of new HIV infections reached more than 3,000,000 cases annually (UNAIDS, 2025).

In the long term, this situation could degrade the quality of human resources and increase national economic losses. UNAIDS estimates that every Rp 16,000 not spent on HIV prevention and treatment would result in financial losses ranging from Rp 48,000 to Rp 80,000 in the future. If funding for HIV/AIDS prevention and treatment in Indonesia reaches hundreds of millions of rupiah, the resulting economic losses would be three to five times the total amount of terminated USAID funding.

In the social sphere, improvements in discrimination and internal stigma against people with HIV/AIDS have also been set back due to the hampered implementation of community-based programs. As a result, people with HIV/AIDS find it increasingly difficult to disclose their HIV status, leading to their loss of access to antiretroviral treatment. Not only is access to medication hampered, but HIV often leads to discrimination in education and employment, making it difficult for them to improve their economic situation.

This internalization of stigma is exacerbated by key populations, such as sex workers, men who have sex with men (MSM), injecting drug users, transgender people, and prisoners, who contribute more than 80% of new infections in the Asia-Pacific (UNAIDS Asia and the Pacific, 2025). Therefore, the persistence of these discriminatory practices will perpetuate the cycle of unequal access to equitable health services for people living with HIV/AIDS. It even increases the risk of HIV transmission because those who conceal their HIV status lack education on HIV/AIDS prevention.

To anticipate the decline in the quality of HIV/AIDS services, Indonesia needs to immediately pursue several alternatives, such as formulating a roadmap for sustainable funding for HIV/AIDS programs based on data. This means that this funding roadmap is based on the concept of health *in all policies* to prepare for risk mitigation of the impact of the termination of USAID funding for at-risk populations.

This roadmap must involve cross-sectoral collaboration in its implementation to ensure equitable distribution of scarce drug supplies, standardize HIV/AIDS funding priorities at the national and local levels, and enhance government-private collaboration to provide funding to civil society organizations implementing community-based programs. All these efforts must be data-driven and implemented effectively to ensure targeted interventions in areas with the highest risk of infection.

Optimizing funding for community-based programs must be done because it has been proven to increase patient adherence to treatment, as they are actors who can understand the challenges of key populations and reach groups that are often neglected in the form of discrimination and criminalization. For example, communities could be involved in the distribution of antiretroviral drugs, act as community supporters, and advocate for issues faced by key populations when accessing services, such as discrimination, sexual violence, and criminalization (Jaringan Indonesia Positif, 2025). This effort is called *Community Led-Monitoring* (CLM) with the hope that those directly affected would be empowered to ensure the continuity of fair and quality HIV/AIDS services.

To be optimal, funding schemes must also be diversified to maximize domestic funding potential. Various funding schemes that Indonesia could adopt include implementing a policy of allocating funds specifically for HIV/AIDS through the collection of health taxes on corporate income, and allocating excise taxes on cigarettes and sweetened foods and beverages for health programs. Furthermore, these policies must also consider the potential side effects, including the economic freedom that such policies would impact. Therefore, before implementing such policies, the government needs to conduct an impact assessment of the program's impact on both the effectiveness of HIV/AIDS services and the economy.

Public-private partnerships could also be an investment that should be increased to address the shortage of HIV/AIDS drugs and prevention services. For example, the local pharmaceutical industry could be involved by the government in the local production of antiretrovirals and PrEP for distribution to Indonesian healthcare facilities. Through this scheme, drug availability would no longer be solely dependent on aid donated by international donors.

The government could also determine specific budget allocations for the private sector, as Malaysia has done, successfully requiring the private sector to fund one-third of the national HIV program. Indonesia could implement these agreements by providing various rewards to companies with social commitments in supporting HIV/AIDS program funding. For example,

## Social

*Without a sustainable transition policy for funding HIV/AIDS programs, Indonesia could harm the survival of people living with HIV and increase the number of new HIV infections. Cross-sectoral collaboration based on 'health in all policies' is essential to ensure that various HIV/AIDS prevention and treatment programs continue to be implemented even though USAID has ceased its funding for Indonesia.*

by providing relevant incentives or awards. Partnerships with the private sector could also be expanded by mandating *Corporate Social Responsibility* companies to move in and empower community-based HIV/AIDS services.

Finally, providing replication support for community-based applications developed by Pita Merah Yogyakarta and other communities is also crucial. One such application they have developed is the MONTOV (PLHIV Health Monitoring) system, which is used to monitor the condition of people living with HIV, facilitate access to nearby services, and assess their needs during crises. This practice is a crucial step in strengthening community-based services for people living with HIV in Indonesia.

### Recommendations

Here are some recommendations to maintain the sustainability of HIV/AIDS programs amidst the termination of USAID funding:

- a. The government, particularly the Ministry of Health, needs to increase cross-sectoral ownership of the sustainability of HIV/AIDS program funding by creating an HIV/AIDS financing transition roadmap that explains alternative methods that could be implemented to expand program funding.
- b. The Ministry of Health collaborates with academics, civil society, and the Ministry of Finance in measuring the impact of fiscal policies and economic freedoms in general, such as those related to cigarette excise and taxes on sweetened foods and beverages, to support sustainable funding for HIV/AIDS programs.
- c. Civil society coalitions need to collaborate to advocate for the revision of various forms of regulations that still discriminate against PLHIV and key populations, such as sex workers, drug users, and Lesbians, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual (LGBTQIA+) in access to health services and employment.
- d. The Ministry of Health, along with Bappenas, must strengthen the role of communities and encourage multi-stakeholder collaboration in developing policies to adapt HIV/AIDS program funding after the termination of USAID funding, ensuring that the plans formulated are relevant to community needs. Collaboration with national private and philanthropic institutions is also crucial for the government to encourage funding opportunities for the sustainability of community-based HIV/AIDS services.

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