STRATEGY OF THE MINISTRY OF ECONOMIC COORDINATOR IN THE NATIONAL ECONOMIC RECOVERY EFFORT DURING THE COVID-19 PANDEMIC

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Article Info	ABSTRACT
	Global inflation due to rising food and energy prices and supply-demand imbalances. This has become the world's concern, especially Indonesia, in formulating policy strategies when the conditions before and after the Covid-19 pandemic affected the national economy and threatened non-military defense. The problems studied aim to determine National Economic Conditions Before & After the Covid-19 Pandemic and the Strategy of the Coordinating Ministry for Economic Affairs of the Republic of Indonesia in efforts to Restore the National Economy. This research uses a qualitative descriptive method with miles and huberman qualitative analysis techniques. The research results show that economic conditions at the time of the 2020 pandemic showed a significant decline due to the cessation of various economic activities as a result of the COVID19 pandemic. National Economic Conditions After the Covid-19 Pandemic that started in 2022, the global economy is showing recovery from the impact of the COVID-19 pandemic even though it was temporarily halted by the Omicron wave. This recovery is in line with the increasing implementation of global vaccinations, the increasing capacity of the health service system, and the opening up of economic activities in various countries. The results of the research and conclusions show that the National Economic Recovery Strategy is carried out through aspects (Ends), namely the long-term goal of the National Economic Recovery Strategy is to maintain price stability and increase food security to support people's purchasing power and national economic recovery, as well as increase Labor Absorption, In Aspects (Ways), namely the ways taken to achieve the long-term National Economic Recovery Strategy, namely Easing Community Mobility in line with Covid-19 control which leads to controlled Covid cases through the PPKM Policy and Setting travel requirements policies, Fiscal Policy as a Shock Absorber, etc. In Aspects (Means), namely the means used to achieve the long-term National Economic Recovery Strategy, namely: APBN as a Shock Absorber

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1. INTRODUCTION

Indonesia is the country with the fourth largest population in the world, but the Indonesian government's response to the crisis has been very slow and has the potential to become the epicenter of the world after Wuhan [1],

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this was seen in January and February 2020, When the virus paralyzed several cities in China, South Korea, Italy and also entered Indonesia and other countries, now we know as Covid-19 is a type of infectious disease caused by the new type of Corona virus found, which has entered Indonesia since March 2, 2020. It turns out that this virus not only attacks humans but also attacks the economy of Indonesia and other countries, thus making the Indonesian economy even more slumped which results in hindering economic growth, the unemployment rate in Indonesia increases, many companies give decisions to lay off their employees during this pandemic which makes the economy weaken and results in National Defense.

A weakened economy is a threat that leads to a country, due to a surge in unemployment that adds to the number of impoverishments, the impact of which makes various crimes arise due to the turmoil of human life needs for food, clothing and also boards. In an effort to maintain the security of the country and its contents includes the existence of residents to natural resources which is the duty of all citizens to defend their country. The threat is not always from military threats but from non-military also exists, threats of not using weapons that can intimidate the sovereignty, integrity and safety of the nation the threat is called non-military. [2] Simultaneously from that incident, the defense of the country requires the integration of nonmilitary defense in order to build strength and capability for a defense within its country that is strong and resilient in order to support its entire nation and has high deterrence, therefore it takes a state defense soul in order to support the defense of the state that is ensconced in a universal defense system to achieve national goals which are basically state defense is a defense that essentially involves all citizens according to their roles and functions. For this reason, the government must be able to carry out its functions and its role in the context of national economic recovery, so that our economy recovers and the defense budget in this country can also increase so that even the military can carry out its function to secure the country with defense tools according to its function. [3]

In developing countries, the economy and the country's defense must go hand in hand, because the economy and defense are very dependent, strong defense if not balanced by a good economy will have a very bad impact on the sustainability of a country. Therefore, if the economy in a country is good, the country's defense is also good, and vice versa, even if the country's defense is good, the country's security and stability are maintained and economic growth in the country improves. [4]

For this reason, the government is working hard in the recovery of the national economy and regulates everything in a series of concepts that form the basis of guidelines, plans for state financial regulations and laws so that the stability of the financial system to accelerate the handling of the Covid-19 pandemic in order to face threats that endanger the national economy or financial system stability as a result of the pandemic as stated in Perpu Number 1 of 2020 concerning Financial Policy State and Financial System Stability for Handling the Covid-19 Pandemic in order to face threats that endanger the national economy or financial system stability[5].

As for the theory of economic growth, it explains the determining factors of economic growth in the country. In the theory of endogenus economic growth, it is explained that the importance of the existence of human capital and technology in influencing the economic growth of a country is seen as successful or not in solving the country's own economic problems can be seen from the country's macro and microeconomics, while during this pandemic the micro and macro economies are not running well which causes economic growth to be hampered and increased unemployment and poverty, Although the economy is gradually recovering, the pace is still slow. Looking at the concurrence above, the author is interested in being able to explore and write research with the following title: The Role of the Government in a Pandemic Period, to Overcome the Surge in Unemployment and Poverty in the Period of National Economic Recovery in Order to Support the Defense Economy.

2. METHODS

The method used in this study is qualitative, starting from the process of reviewing the information that has been processed through the available primary and secondary data, then after reading, reviewing, and then the National Economic Recovery during the Covid-19 Pandemic is studied as a whole information, the data is summarized in the form of categories in accordance with the formulation of the problem and aspects of solving the problem studied using the theory of Strategy By (Lykke, 1989) said. Then further identify the National Economic Recovery Strategy during the Covid-19 Pandemic in increasing economic growth in order to strengthen nirmiliter defense supported by previous research that has the same relevance. [6]

3. RESULT AND DISCUSSION

When referring to the Theory of Economic Recovery which is interpreted as the initial part of expansion, where the economy gains strength again to grow after a recession. Economic growth is showing signs of strengthening. The economic situation in a conjuncture pattern characterized by the re-increase in production and consumption ,[7] then sees the condition of the national economy before and during the pandemic experienced a level of strengthening from

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the recession period to strengthening again and increasing economic growth through policy strategies that were compiled and implemented. The author compares the national economic conditions before and during the Covid-19 Pandemic through the following picture:
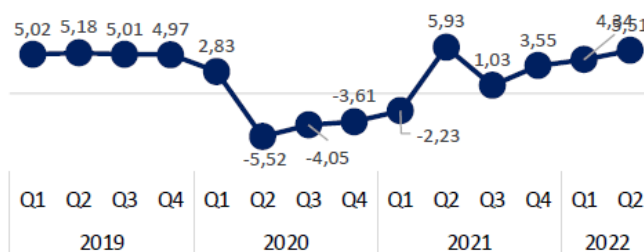

Figure 1. Comparison of Household Consumption
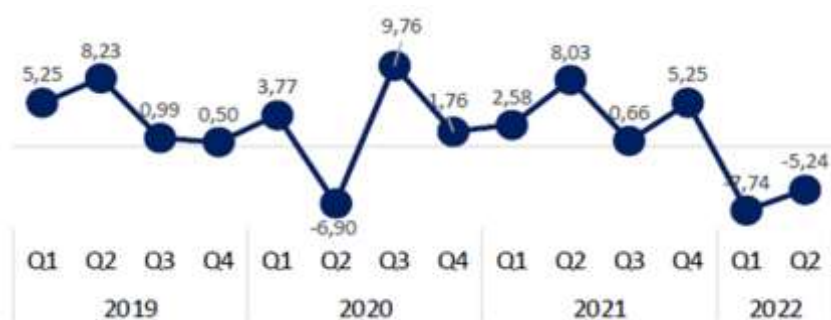Source: Researcher Data Processing, 2023.

Figure 2. Comparison of Government Consumption
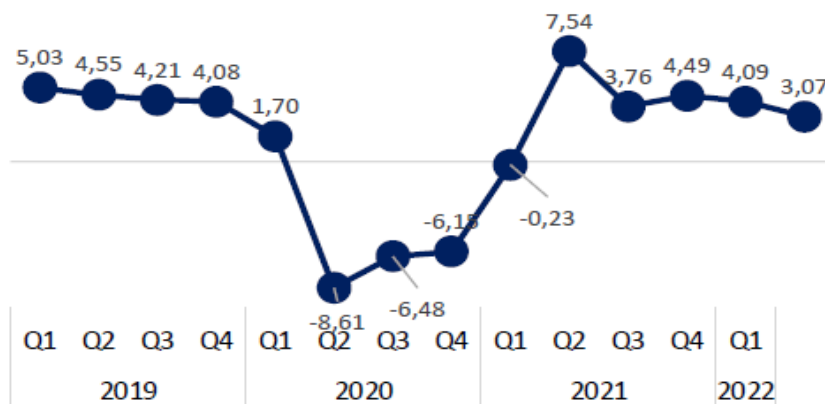Source: Researcher Data Processing, 2023.

Figure 3. Comparison of PMTB (Gross Fixed Capital Formation)
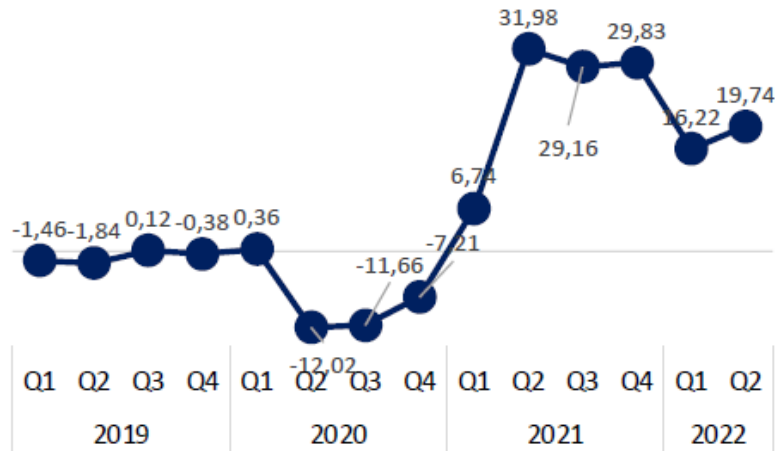Source: Researcher Data Processing, 2023.

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Figure 4. Comparison of Export Value
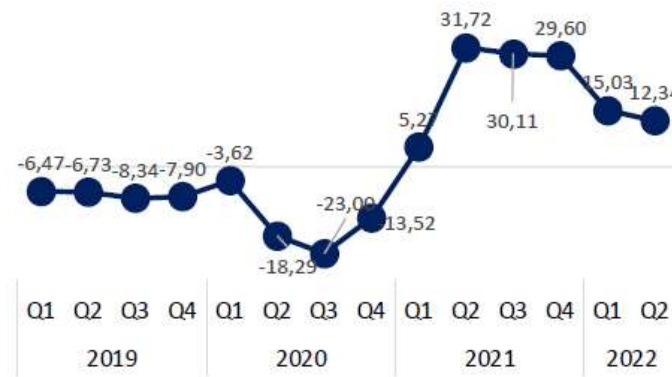Source: Researcher Data Processing, 2023.

Figure 5. Comparison of Import Values
Source: Researcher Data Processing, 2023.

Indonesia's economic growth shows positive growth in every sector. Household consumption which contributed the highest was 53.65% growing 4.34% (yoy) followed by PMTB with a contribution of 30.44% which grew 4.09% (yoy). The vaccination program, which was almost entirely achieved, encouraged government consumption to record a decrease of -7.74% (yoy).
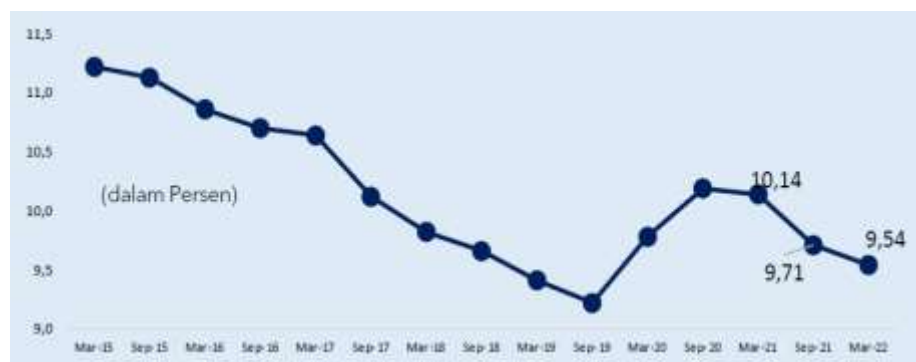

Figure 6. Poverty Rate Reduction
Source: Researcher Data Processing, 2023.

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The percentage of poor people in March 2022 was 9.54 percent, a decrease of 0.17 percentage points against September 2021 and a decrease of 0.60 percentage points against March 2021. The number of poor people in March 2022 was 26.16 million people, a decrease of 0.34 million people against September 2021 and a decrease of 1.38 million people against March 2021.
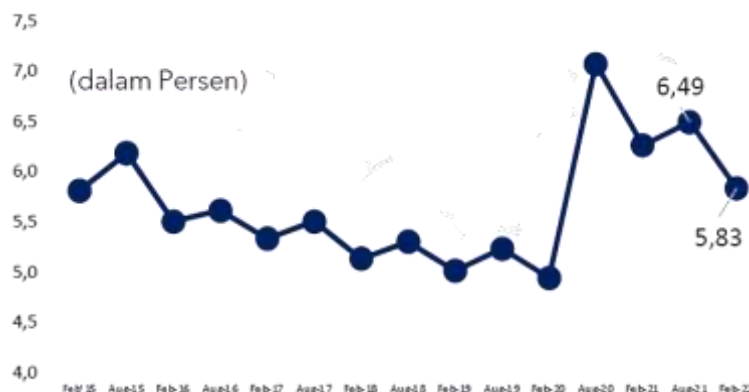

Figure 7. Declining Unemployment Rate
Source: Researcher Data Processing, 2023.

Unemployment decreased by 0.35 million people. The unemployment rate fell from 6.26% (February 2021) to 5.83% (February 2022) The number of people employed on Feb'22 rose by 4.55 million people compared to February 2021. The working-age population affected by Covid-19 decreased by 7.57 million people. [8]

The existence of the right strategy is very important in providing guidelines and steps in dealing with the development of the situation and conditions of the strategic environment. Strategy assumes that the future cannot be predicted, but the development of the strategic environment can be studied and anticipated, that is, by formulating the right solutions. (LYKKE, 2006) explains that strategies can be implemented by applying ends, ways, and means in a strategic environment in order to realize the desired goals. [9]

Economic Recovery Strategy During the Pandemic in 2021 focuses on 4 activities (1) Health Spending will be the first priority, including the procurement of testing, medicines, medical devices, incentives for Health workers and Hospitals and ensuring the availability of vaccines and anti-bodies, (2) Continuing fiscal stimulus, both K/L and Non-K/L Priorities in sectors that have a high multiplier impact on Job Creation and on Economic Growth, (3) Government spending will be directed to the purchase of domestically produced goods, so that it can have a major impact on the demand for domestic goods, and (4) Social Assistance Expenditure, Cash For Work Program, Basic Food Program, PKH, Labor Subsidy (both formal and informal sectors), so as to increase the purchasing power of low-income groups which can further encourage public consumption. [10]

The acceleration of the PEN program in 2020 is focused on social protection programs and support for MSMEs and corporations. Social protection programs will maintain people's purchasing power during the pandemic, while support for the business world will help business sustainability during the pandemic Economic recovery through these two program priorities is still limited due to the increase in unemployment still occurring. Therefore, one of the Government's strategies will focus on continuing fiscal stimulus, both K/L and Non-K/L Priorities in sectors that have a multiplier impact, especially the priority of labor-intensive programs in 2021. Labor-intensive programs will help create jobs and thus help absorb labor. [11]

Based on this strategy theory, the common thread of the National Economic Recovery Strategy during the Covid-19 Pandemic can be drawn as follows:

In the aspect (Ends), the long-term goal of the National Economic Recovery Strategy is to maintain price stability and improve food security to support people's purchasing power and national economic recovery, as well as increase employment. [12]

In Aspects (Ways), namely the ways taken to achieve the Term Strategy for National Economic Recovery, namely:
   a. Easing of community mobility in line with the control of Covid-19 which leads to controlled Covid cases through the PPKM Policy and travel requirements policy arrangements. [13]

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b. Fiscal Policy as a Shock Absorber[14]
Aims to increase people's purchasing power by allocating a social protection budget of IDR 479.1 trillion (APBN 2023), for PKH, BLT Cooking Oil, Village BLT, BTPKLWN and Maintaining domestic energy prices so that they do not soar. [15]

c. Price Stabilization
4K policy programs are Affordability, Availability of Supply, Smooth Distribution, and Effective Communication.
Improving the Quality of Human Resources through the Pre-Employment Card Program

d. The total recipients of Pre-Employment Card batch 1-40 have reached 13.9 million recipients (update as of August 15, 2022)

e. Encouraging MSME Development:
Aiming for MSMEs to Upgrade, Digitize and Use MSME Products, Increase the KUR Distribution Target in 2022 to IDR 373.17 T. Realization of KUR Jan-31July 2022 amounted to IDR 209.1 T (56.02% of the target) and was given to 4.4 million debtors. [15]

f. Continuing Structural Reforms through the Acceleration of Implementation of the Job Creation Law, Continuing infrastructure development, Downstreaming and industrialization of natural resources, Optimization of clean energy sources and a green economy. [16]

Through the direction of the President of the Republic of Indonesia, he gave 5 (five) directions to TPIP and TPID in maintaining price stability and improving food security to support people's purchasing power and national economic recovery, namely:

1. Strengthen the identification of sources of inflationary pressures in the regions through the use of macro and micro data as well as detailed data.
2. Expand interregional cooperation (KAD) to reduce supply and price disparities between regions. TPIP and TPID need to identify surplus and deficit areas and be facilitators to encourage cooperation between regions in controlling inflation. [17]
3. Lowering transportation costs by utilizing the facilitation of interregional trade distribution and including lowering the price of air tickets by increasing the number of aircraft.
4. Optimizing the use of unexpected spending to support efforts to control regional inflation.
5. Accelerate the absorption of the Regional Revenue and Expenditure Budget (APBD) to support regional economic growth. [18]

In the Aspects (Means), namely the means used to achieve the long-term Strategy for National Economic Recovery, namely: the State Budget as a Shock Absorber. In the midst of the risk of escalatory global economic uncertainty, the State Budget is optimized as a shock absorber with the aim of:

a. Controlling Inflation and maintaining people's purchasing power
b. Maintaining recovery momentum (reducing unemployment & poverty rate)[19]
c. Maintaining priority spending (strengthening productivity and the foundation of the national economy)[20]

These three aspects are implemented through Spending Optimization: Subsidies, Compensation, Social Security, and priority spending (infrastructure, health, education and structural reform support)[21]

4. CONCLUTION

a. That the Economic Condition in Indonesia before the pandemic the economic growth rate in 2018 based on the analysis of Gross Domestic Product (GDP) increased compared to 2017, the highest economic growth in 2018 was achieved by the Service Business Field such as transportation both services and water procurement, then in 2019 the growth increased, Economic Conditions At the time of the pandemic in 2020 showed a significant decline due to the cessation of various economic activity as a result of the COVID19 pandemic. National Economic Conditions during the Covid-19 Pandemic that started in 2022, the global economy showed recovery from the impact of the COVID-19 pandemic even though it was restrained by the Omicron wave. This recovery is in line with the increasing implementation of global vaccinations, the increasing capacity of the health care system, and the opening of economic activity in various countries.

b. The National Economic Recovery Strategy is carried out through:
In the aspect (Ends), namely the long-term goal of the National Economic Recovery Strategy is to maintain price stability and increase food security to support people's purchasing power and national economic recovery, as well as increase employment, in the Aspects (Ways), namely the way taken to achieve the long-term strategy of national economic recovery, namely easing community mobility in

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line with controlling Covid-19 which leads to controlled covid cases through PPKM Policy and Travel Requirements Policy Setting, Fiscal Policy as a Shock Absorber, etc. In Aspects (Means), namely the means used to achieve the long-term Strategy for National Economic Recovery, namely: APBN as a Shock Absorber.

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