

Macroeconomic Policy Responses to COVID-19: A Case of Indonesia

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Abstrak. Krisis kesehatan yang dipicu virus COVID-19 telah merambah menjadi krisis multidimensi dan memiliki efek domino pada sektor sosial ekonomi dan keuangan. Krisis ekonomi sebagai dampak pandemi COVID-19 menjadi semakin berat karena disertai dengan kebijakan *lockdown* dan *physical distancing* yang berimbas pada penurunan produktivitas pada perekonomian. Tujuan penelitian ini adalah mendeskripsikan upaya-upaya terstruktur yang telah diambil oleh Pemerintah Indonesia dalam mengatasi dampak pandemi COVID-19. Bauran kebijakan yang diambil oleh Pemerintah Indonesia berupa kebijakan menerbitkan serangkaian regulasi yang memberikan kepastian hukum serta memberikan fleksibilitas dalam pelaksanaan di lapangan dengan tetap menekankan pada unsur akuntabilitas. *Refocusing* dan realokasi anggaran juga ditempuh oleh pemerintah untuk memberikan ruang gerak yang lebih fleksibel bagi Kementerian/Lembaga dalam berkontribusi menahan dampak COVID-19. Kebijakan lain adalah dikeluarkannya tiga paket stimulus dan juga dicanangkannya Program Pemulihan Ekonomi Nasional (PEN).

Kata kunci: Pandemi COVID-19, Kebijakan Pemerintah, Stimulus Fiskal, Kebijakan Makroekonomi, (PEN)

Abstract. The health crisis triggered by the COVID-19 virus has spread to a multidimensional crisis and has a domino effect on the socio-economic and financial sectors. The economic crisis as the impact of the COVID-19 pandemic has become increasingly severe because it was accompanied by lockdown and physical distancing policies which resulted in decreasing productivity in the economy. The purpose of this research is to describe the structured efforts taken by the Government of Indonesia in dealing with the impact of the COVID-19 pandemic. The policy combination adopted by the Government of Indonesia is in the form of policies to issue a series of regulations providing legal certainty and flexibility while still highlighting the accountability. Refocusing and budget reallocation are also taken by the government to provide more flexible space for Ministries/Institutions to contribute to managing the impact of COVID-19. Another policy is the issuance of three stimulus packages and the launch of the National Economic Recovery Program (PEN).

Keywords: COVID-19 Pandemic, Macroeconomic Policy, Government Policy, Fiscal Stimulus, National Economic Recovery Program (PEN)

Introduction

The world socio-economic crisis is entering its second year after cases of the new coronavirus disease (COVID-19) were first discovered in Wuhan, China. The massive spread of COVID-19 then forced the World Health Organization (WHO) on March 11, 2020 to officially designate the extraordinary event caused by the corona virus as a global pandemic. WHO data as of May 15, 2021 showed that cumulatively there were 160,813,869 cases with a total cumulative mortality rate reaching 3,339,002 people. In other words, the COVID-19 case fatality rate reached 2.08% worldwide.

COVID-19, which was originally a health crisis, has now turned into a socio-economic crisis that cannot be avoided by all countries in the world (Nicola et al., 2020). The health crisis

caused by COVID-19 has put heavy pressure on all economic actors, households, entrepreneurs and the government. The need for providing infrastructure and health facilities for handling COVID-19 patients has forced many countries to rack their brains in making various adjustments in their state budgets (Olivia et al., 2020).

Table 1. Cumulative COVID-19 Cases and Deaths (as of 15 May 2021)

5 most affected countries	Cases - cumulative total	Deaths - cumulative total	Transmission Classification
United States	32.496.486	578.257	Community transmission
Brazil	15.359.397	427.034	Community transmission
India	24.046.809	262.317	Cluster Cases
Mexico	2.371.483	219.490	Community transmission
The United Kingdom	4.444.635	127.651	Community transmission

5 most affected from ASEAN Countries	Cases - cumulative total	Deaths - cumulative total	Transmission Classification
Indonesia	1.731.652	47.716	Community transmission
Malaysia	458.077	1.788	Community transmission
Myanmar	143.004	3.212	Cluster Cases
Thailand	96.050	548	Cluster Cases
Singapore	61.453	31	Cluster Cases

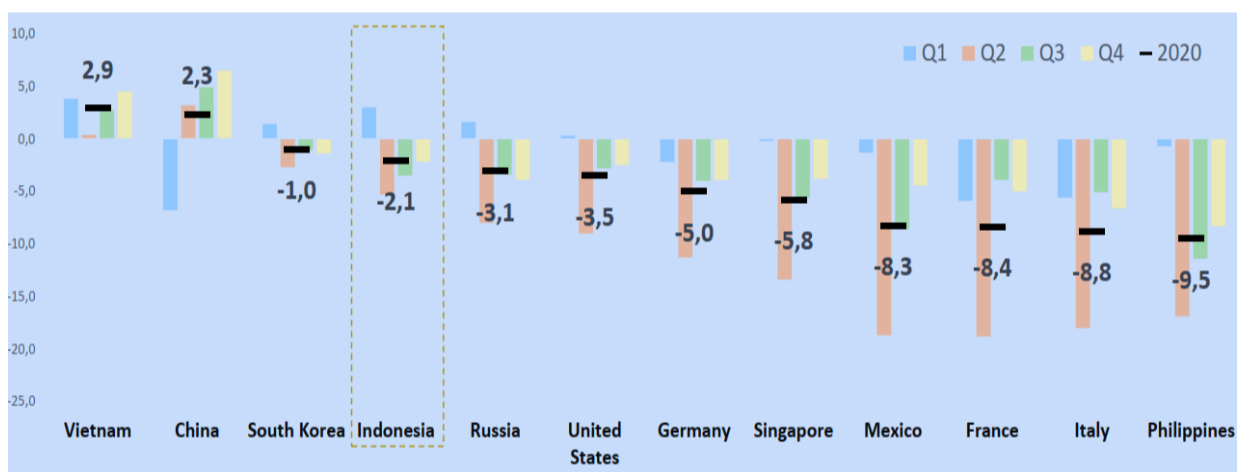
Source: (WHO, 2021) processed

For Indonesia, the economic crisis as a result of the COVID-19 pandemic has given a great shock to the national economy where Indonesia had already experienced a deep economic crisis in the previous two decades when the Asian economic crisis occurred in 1998 (Olivia et al., 2020). The crisis this time is getting heavier with the implementation of social distancing policies to reduce the spread of the COVID-19 virus, lockdown and travel restriction policies implemented by several countries to the closure of borders between countries (Gössling et al., 2020). It was recorded that around 59 countries have imposed travel restrictions to Indonesia (The Jakarta Post, 2020).

Although the lockdown and physical distancing policies provide a downward trend in the spread of COVID-19, its direct effect is reflected in the slowdown of economic growth in various countries. From economic point of view, travel closures and bans have a direct impact on reduced productivity and lead to a temporary rise in unemployment rates (Akbulaev et al., 2020). In order to spur economic growth, several countries began implementing relaxation policies under the pretext of economic recovery. However, the pandemic has not really ended and it is getting heavier with the occurrence of findings regarding the discovery of a COVID-19 virus mutation which has made various countries begin to recalculate the vaccination policies which were previously considered to be the effective recipe to end the COVID-19 pandemic. At the same time, the government should not be negligent in continuing to maintain the performance of the

immunization program to prevent further outbreaks of vaccine-preventable diseases (Suwantika et al., 2020).

For Indonesia, the COVID-19 pandemic has a domino effect on social, economic and financial aspects causing the cessation of various economic/production activities which then have an impact on increasing unemployment in various sectors. An increase in unemployment followed by a decrease in people's purchasing power has led to volatility in the financial sector with decreased investor confidence, a struggle to quality, a decline in real sector performance, NPL (non-performing loan), profitability and pressure on company solvency (Kementerian Keuangan, 2020). To further, economic stagflation will occur due to negative sectoral supply and demand shocks that end with the emergence of Keynesian unemployment ((Baqae & Farhi, 2020). However, despite experiencing pressure, Indonesia's economic growth can still be considered moderate since the government has responded to the crisis by taking various rapid, measured and extraordinary policies to maintain Indonesia's economic resilience which can be concluded from figure 1.



Source: (UN PAGE, 2020) processed

Image 1. Economic Growth in Various Countries (% yoy)

Various policy responses that have been carried out by the Indonesian government have been discussed in several scientific studies in order to provide empirical notes when policies are taken. (Olivia et al., 2020) underlined the impact of the spread of the virus on the Indonesian economy, and the government's response to the public health crisis, as well as the efforts made to overcome the economic crisis that arose. The dominance of the policies taken is that the government has aimed at balancing ships by targeting the needs of the poor and those who are potentially poor (groups of vulnerable people to poverty). Records of the government policy making at the time of the COVID-19 pandemic are expected to provide valuable lessons in efforts to improve crisis management with the emphasis that the crisis will only be resolved if all components of society, both disciplinary behavior of citizens, and the government action with the accuracy of choosing policies taken (Olivia et al., 2020; Yulianti et al., 2020).

(Loayza & Pennings, 2020) suggested two stages of clear macroeconomic responses in dealing with the COVID-19 crisis, namely during the ongoing economic and health crisis and the phase after the economic and health crisis or often called the economic recovery phase. Aggressive fiscal policies were implemented by various countries to respond to the COVID-19 crisis by increasing health spending, transferring income and increasing welfare payments, as well as wage subsidies to companies to retain employees in order to minimize short-term unemployment (Makin & Layton, 2021). As for Indonesia, apart from dividing policies into fiscal and monetary instruments, the main policies for handling COVID-19 are mainly focused on two things, namely the policy for handling COVID-19 itself and policies for procuring vaccines and vaccinations (Kementerian Keuangan, 2020). These two things are considered very important and are expected to be a "game changer" for efforts to restore the national economy.

Research Method

This study adopts documentary analysis for social research (Bowen, 2009; Mogalakwe, 2006). This method was chosen so that the research can identify trends and concepts as a whole (Onwuegbuzie & Weinbaum, 2017). This study aims to review current government macroeconomic policy responses in Indonesia by employing a qualitative descriptive method through utilizing secondary data from various literatures such as books, articles and homepages to access the latest data and information related to various policies taken by the Indonesian government in dealing with the COVID-19 crisis. Qualitative descriptive method is exercised if an unsophisticated explanation is preferred which aims at explaining the details of the information, location or position, time, and reasons of an event or experience (Kim et al., 2017) by individuals or groups of individuals (Lambert & Lambert, 2013).

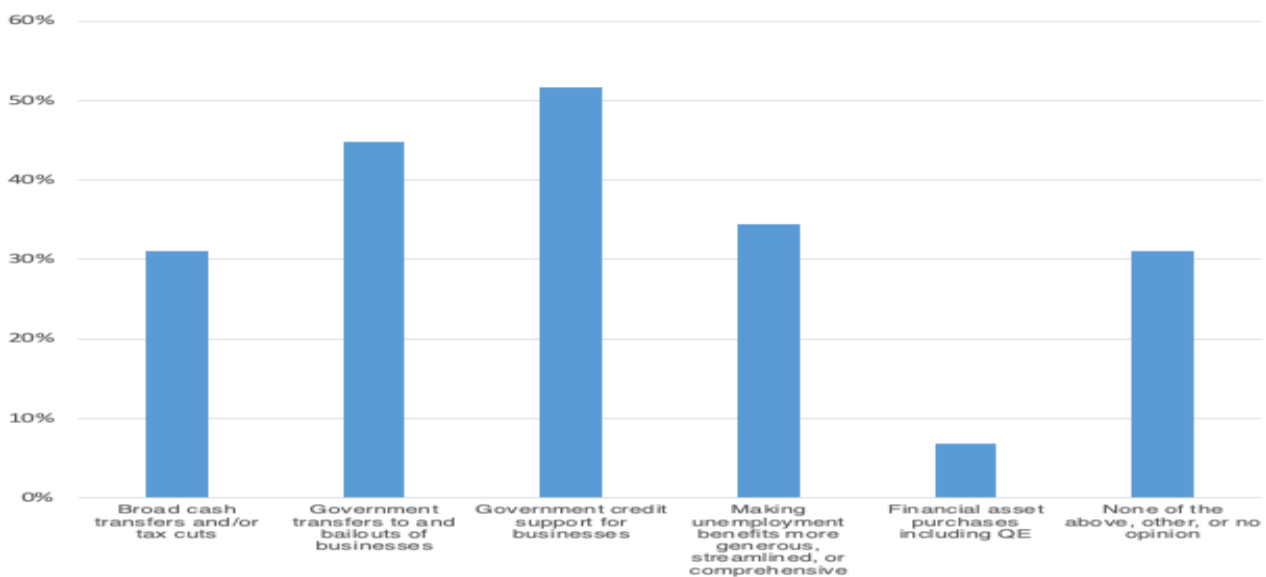
In the context of handling the impact of COVID-19, the use of descriptive qualitative methods is directed to be able to provide descriptions and obtain a clear picture that is useful for answering problem formulations, specifically related to how the policies that have been taken by the Indonesian government in overcoming the impact of the COVID-19 pandemic are implemented. Furthermore, this study also attempts to find out what strategies can be taken as a complement to the policies.

Result and Discussion

General Policy for Handling COVID-19 in Indonesia

Various policies have been taken by various countries in an effort to respond to the economic slowdown from the COVID-19 pandemic. The most common policy taken by various countries is the disbursement of economic stimulus to minimize the impact of the economic slowdown due to the COVID-19 pandemic (Chang et al., 2021; Sharma et al., 2020). Economic stimulus is still seen

as a form of government intervention to encourage a sluggish economy or even develop negatively. The combination of fiscal and monetary instruments is carried out with the aim of handling COVID-19 as well as mitigating the economic impacts that arise. The fiscal stimulus is generally aimed at increasing the budget allocation for handling COVID-19, helping households through a social safety net, and supporting companies that are affected (Steel & Phillips, 2020). Through fiscal policies, many countries also provide guarantees for the sustainability of the business world, especially sectors that are experiencing major impacts. Meanwhile, monetary stimulus was focused more on lowering interest rates, increasing the money supply and reducing corporate borrowing costs.



Source: (IMF, 2021) processed

Image 2. Percent of Panelists Listing Policy Among the Top 2 Preferred Responses to the COVID-19 Crisis.

The most common policies taken by various countries according to the (IMF, 2021) as illustrated in image 2 are through cash transfer schemes or incentives in the field of taxation, then providing bailouts to the business sector, credit relaxation, unemployment insurance, and quantitative easing policies. These policies are taken as an instant response to the crisis in many countries due to the COVID-19 outbreak in order not to be late to pick up the momentum for handling COVID-19.

Table 2. Staging of Target COVID-19 Vaccine Recipients

WAVE I: JAN-APR 2021		WAVE II: APR 2021 – MAR 2022	
HEALTH WORKERS	PUBLIC OFFICERS	VULNERABLE PEOPLE	OTHER PEOPLE
Vaccinations are carried out in 34 provinces	ELDERLY after receiving information on vaccine safety for that age (in EUA/stage 3 clinical trial data)	communities in areas with a high risk of transmission	with a cluster approach according to vaccine availability
1.48 millions	17.9 millions	63.9 millions	77.2 millions

Source: (Kementerian Kesehatan, 2021) processed

Regulations to Handle COVID-19

Government of Indonesia issued various regulations that provide legal certainty and flexibility to handle COVID-19 outbreak while still emphasizing the elements of accountability. In a health emergency like the one we are currently experiencing, people expect regulators to act without delay (“Accelerating Regulation in Response to COVID-19,” 2020). The following is a list of Indonesian government regulations issued with the specific aim of warding off the COVID-19 pandemic.

Table 2. List of Regulations Concerning Policy Responses To COVID-19

No.	Date	Regulations	Issuing Agency
1.	1 April 2020	Presidential Decree of the Republic of Indonesia Number 7 of 2020 concerning the Task Force for the Acceleration of Handling COVID-19	President of Indonesia
2.	2 April 2020	Presidential Decree of the Republic of Indonesia Number 9 of 2020 concerning Amendments to Presidential Decree Number 7 of 2020	President of Indonesia
3.	2 April 2020	Government Regulation Number 21 of 2020 concerning PSBB (Large-Scale Social Restrictions)	President of Indonesia
4.	3 April 2020	Presidential Regulation of the Republic of Indonesia Number 54 of 2020 and its Attachments concerning Posture Changes and the 2020 State Budget Plan	President of Indonesia
5.	3 April 2020	Regulation of the Minister of Health of the Republic of Indonesia Number 7 of 2020 concerning Special Access Scheme for Medical Devices	Ministry of Health
6.	7 April 2020	Decree of the Minister of Health of the Republic of Indonesia Number HK.01.07 / Menkes / 239/2020 concerning PSBB in the DKI Jakarta Province	Ministry of Health
7.	8 April 2020	Regulation of the Minister of Health of the Republic of Indonesia Number 9 of 2020 concerning PSBB Guidelines	Ministry of Health
8.	8 April 2020	Circular of the Minister of PANRB of the Republic of Indonesia Number 41 of 2020 concerning Amendments to SE Number 36 of 2020 concerning Restrictions to Outside Regions for ASN (Government officials)	Ministry of Administrative Reform and Bureaucratic Reform

9.	9 April 2020	Circular of the Minister of PANRB of the Republic of Indonesia Number 46 of 2020 concerning Limitation of Homecoming Activities	Ministry of Administrative Reform and Bureaucratic Reform
10.	10 April 2020	Decree of the Minister of Health of the Republic of Indonesia Number HK.01.07 / Menkes / 238/2020 concerning Technical Guidelines on Claims for Reimbursement of COVID-19 Patient Medical Costs	Ministry of Health
11.	10 April 2020	Circular Letter of the Ministry of Finance of the Republic of Indonesia Number SE-07 / BC / 2020 concerning Preference Rates Due to the Impact of COVID-19	Ministry of Finance
12.	10 April 2020	Joint Decree on Amendments to Both National Holidays and 2020 Joint Leave	Ministry of Religion, Ministry of Manpower, and Ministry of Administrative Reform and Bureaucratic Reform
13.	11 April 2020	Regulation of the Minister of Transportation of the Republic of Indonesia No. PM 18 of 2020 concerning Transportation Control	Ministry of Transportation
14.	11 April 2020	Circular of the Minister of Industry of the Republic of Indonesia Number 7 of 2020 concerning Licensing for the Implementation of Industrial Activities	Ministry of Industry
15.	13 April 2020	Presidential Decree of the Republic of Indonesia Number 12 of 2020 concerning Determination as a National Disaster	President of Indonesia
16.	14 April 2020	Circular Letter of the Ministry of Health of the Republic of Indonesia Number HK.02.02 / I / 385/2020 concerning the Use of Masks and Provision of CTPS Facilities	Ministry of Health
17.	6 Mei 2020	Task Force Circular Letter Number 4 of 2020 concerning Restrictions on People Travel	COVID-19 Task Force
18.	4 Juni 2020	Minister of Manpower Circular Number M / 7 / AS.02.02 / V / 2020 concerning Business Continuity Plans and COVID-19 Protocols in Companies	Ministry of Manpower
19.	9 Juni 2020	Regulation of the Minister of Transportation Number PM 41 of 2020 concerning Transportation Control	Ministry of Transportation
20.	14 Juni 2020	Task Force Circular Letter Number 8 of 2020 concerning Regulating Working Hours in the Jakarta, Bogor, Depok, Tangerang and Bekasi (Jabodetabek) Areas	COVID-19 Task Force

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| 21. | 19 Juni
2020 | Decree of the Minister of Health Number HK.01. 07 / MENKES / 382/2020 concerning Health Protocols for Communities in Public Places and Facilities | Ministry of Health |
| 22. | 19 Juni
2020 | Adjustment provisions for UKT, UKT Student Aid Funds, BOS Affirmations and BOS Kinerja | Ministry of Education and Culture |
| 23. | 24 Juni
2020 | Joint Decree (SKB) on Learning for the New Academic Year during the COVID-19 Pandemic | Ministry of Education and Culture |
| 24. | 6 Juli 2020 | Circular Letter of the Minister of Health Number HK.02.01 / Menkes / 382/2020 concerning Protocol for Monitoring Domestic Travel Behavior at Airports and Ports | Ministry of Health |
| 25. | 9 Juli 2020 | Joint Decree Number 02 / KB / 2020 and Number KB / 1 / UM.04.00 / M-K / 2020 concerning Technical Guidelines for the Prevention and Control of COVID-19 in the Field of Culture and Creative Economy | Ministry of Tourism and Creative Economy |
| 26. | 28 Juli
2020 | Decree of the Minister of Health of the Republic of Indonesia Number HK.01.07 / MENKES / 413/2020 concerning Guidelines for the Prevention and Control of COVID-19 | Ministry of Health |
| 27. | 5 Agustus
2020 | Presidential Instruction of the Republic of Indonesia Number 6 of 2020 concerning Improving Discipline and Law Enforcement of Health Protocols | President of Indonesia |
| 28. | 7 Oktober
2020 | Presidential Regulation of the Republic of Indonesia Number 99 of 2020 concerning Vaccines Procurement and Implementation of Vaccinations in Handling the COVID-19 Pandemic | President of Indonesia |
| 29. | 5
Desember
2020 | Decree of the Minister of Health of the Republic of Indonesia number 9860 of 2020 concerning the Determination of Types of Vaccines for the Implementation of COVID-19 Vaccination | Ministry of Health |
| 30. | 20
Desember
2020 | Circular Number 3 of 2020 concerning Travel Health Protocols for People During Christmas Holidays and Welcoming New Years during COVID-19 Pandemic | COVID-19 Task Force |
| 31. | 24
Desember
2020 | Regulation of the Minister of Health of the Republic of Indonesia Number 84 of 2020 concerning the Implementation of Vaccinations in the Context of the 2019 | Ministry of Health |

Coronavirus Disease (COVID-19)
Pandemic

Source: adapted from (Satgas Covid-19, 2021) processed

Extraordinary Policy to handle COVID-19

Refocusing Activities and Reallocating Budget

The initial response to handling COVID-19 issued by the Government was policies to refocus and reallocate the budget which would be used as the main source of funding for COVID-19 handling activities in Indonesia. This policy is outlined in Presidential Instruction Number 4 of 2020 dated March 20, 2020, which states that Ministers/Heads of Institutions are demanded to prioritize the use of existing budgets for activities that support the acceleration of handling COVID-19 (refocusing activities and reallocating budget). Moreover, the impact of fiscal budget flexibility only works when the spread of COVID-19 is not under control, for example, at a moderate pace (Deng et al., 2020).

Through the Presidential Instruction, to support funding for handling COVID-19, Ministers/Heads of Institutions are asked to follow up by making budget cuts or savings, especially on non-priority spending (official trips, meeting costs, honoraria, and non-operational expenditures) and capital expenditures for projects/activities that are not prioritized. Adjustment steps that can be taken include identifying and reviewing projects that can be postponed as well as single year projects that can be converted into multi-years, and multi-years projects that can be extended.

For the Regional Governments (Local Govt), various policies have also been issued that focus on and prioritize health and fulfill the basic needs of the people. To that end, the Ministry of Finance has established regulations to encourage local governments to refocus their budgets for handling COVID-19. The local government will get a Transfer Fund for handling COVID-19 after submitting a Performance Report in the Health Sector. Savings in state expenditure from Transfers to Regions and Village Funds (TKDD) in the 2020 State Budget are around Rp. 94.2 trillion, including natural savings. To strengthen the domestic economy in 2020, the Government encouraged accelerated spending and policies to encourage labor-intensive activities (Setyawan & Lestari, 2020). Through TKDD, the Government encourages and accelerates the implementation of village fund activities, for productive activities that absorb labor in the village (Prabowo et al, 2020).

Fiscal Stimulus

Fiscal stimulus policies are important although their effect on consumption is still debated, and recent empirical evidence suggests that temporary stimulus is more effective than previously believed, albeit with heterogeneous effects (Casado et al., 2020). Even a study from (Wilson, 2020)

shows similarities between the fiscal response during the COVID-19 crisis and during the Great Recession. This conclusion stems from extensive researches over the last few decades related to fiscal multipliers, particularly multipliers on key stimulus elements. In addition to refocusing and reallocation, the Government also provides stimulus to deal with the impact of the pandemic. The COVID-19 outbreak has provided uncertainty and pressure to various aspects of life and the economy so that the main focus of providing stimulus is to maintain public health, public welfare, and assist the business world.

Stimulus as explained in Table 2 is provided since during a pandemic, all aspects of the economy face enormous pressure and economic intervention from the Government and the authorities is the hope that the economy will continue to roll. Therefore, along with taking precautions and addressing the health sector, the Government has also issued various prioritized stimuli to protect the economy, both households and companies, and ensure financial stability (Djalante et al., 2020). In terms of providing fiscal stimulus, the Government has taken actions from the beginning, which over time have been strengthened and adjusted to the dynamics caused by the pandemic.

Table 2. Stimulus Package to Handling COVID-19

Stimulus Package	Policy Subject	Explanation
Stimulus Package I Published on February 25 2020	<ul style="list-style-type: none"> • Additional recipients of the benefits of basic food cards • Additional assistance for housing interest subsidies • Incentives to bring in foreign tourists • Incentives for domestic tourists • TKDD Support for Tourism • Acceleration of pre-employment card program • Acceleration (front loading) and optimization of state spending 	The government issued a policy response to strengthen the domestic economy through government expenditure, which consists of accelerated spending and policies to encourage labor-intensive spending and stimulus spending.
Stimulus Package II Published on March 13 2020	<ul style="list-style-type: none"> • Relaxation of Income Tax Article 21 	The second stimulus package was issued as a response from the Government which focuses on maintaining people's purchasing power and

<ul style="list-style-type: none"> • Relaxation of Income Tax Article 22 on Import • Reduction of Income Tax Article 25 by 30% • Expedited VAT refunds (preliminary return) 	<p>the support of the business world and affected industries through the ease of exports and imports. The second stimulus package consists of fiscal stimulus, non-fiscal stimulus, and policies in the financial sector.</p>
<p>Stimulus Package III Published on March 31 2020</p> <ul style="list-style-type: none"> • Health • Social Safety Net • Support for Industries • Support for Businesses 	<p>The government issued a Government Regulation in Lieu of Law (PERPPU) Number 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling Pandemic Coronavirus Disease 2019 (COVID-19) and/or in the context of Facing Threats that Endanger the National Economy and/or Stability Financial System. The PERPPU contains a mix of policies in the field of state finances (fiscal policies) and financial system stability.</p>

Source: (Kementerian Keuangan, 2020) processed

National Economic Recovery Program

National Economic Recovery Program or so-called PEN is the Government policy to integrate various measures to minimize the impact of COVID-19 on the economy, both at the individual/household level to the corporate level. The very disruptive economic impact of COVID-19 must also be responded with extraordinary, even unprecedented policy steps. In general, the two dimensions in PEN are outlined in six clusters reflecting the main aspects of epidemic control and mitigation of its impact. These clusters are 1). Health as the main problem root of the pandemic, 2). Social Protection to protect the purchasing power and welfare of millions of people affected by the pandemic, 3). MSME support because this sector is the backbone of the economy as well as vulnerability due to the pandemic, 4). Corporate Financing to prevent bankruptcy and layoffs more widely, 5). Business Incentives as a form of state presence to stimulate the economy, as well as 6). Sectoral Support from Ministries / Agencies and Local Governments.

The PEN program is regulated through Government Regulation No. 23/2020. The government is very flexible, adaptive and responsive in dealing with the COVID-19 outbreak and mitigating its impacts. However, the role of the PEN program which is very crucial in this pandemic situation has made the Government remain cautious and uphold the principles of good governance, including maintaining the principle of social justice and the implementation of PEN for the greatest

welfare of the people. The government continues to ensure transparency and accountability of this program, and prevents moral hazard from occurring. The high costs required for funding PEN also encourage the sharing of costs and risks among stakeholders, according to their respective duties and authorities.

Conclusion

The health crisis triggered by the COVID-19 virus has spread to a multidimensional crisis and has a domino effect on the socio-economic and financial sectors. The economic crisis as the impact of the COVID-19 pandemic has become increasingly severe because it was accompanied by lockdown and physical distancing policies which resulted in decreased productivity in the economy. Various efforts have been taken by various governments to reduce the impact of the COVID-19 pandemic. "The economic revival is overshadowed by the effectiveness of the use of vaccines due to the mutation of the COVID-19 virus that continues to occur.

The Indonesian government does not remain silent in warding off the impact of COVID-19. The government has issued various policies that are fast, measurable and extraordinary. The policy that has been taken by the Government of Indonesia is to issue a series of regulations that provide legal certainty and provide flexibility in its implementation while still emphasizing the element of accountability. The government also pursued a refocusing and budget reallocation policy to provide more flexible space for Ministries / Agencies to contribute to prevent the impact of COVID-19. Another policy is the issuance of the three stimulus packages and the launch of the National Economic Recovery Program (PEN). Of all the policies taken are expansionary, this is in line with the fact that in times of crisis the government as the largest household in the economy must intervene through fiscal policies aimed at increasing economic output.

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