



Policy for Widening the Budget Deficit for Handling Covid-19 Reviewed from a Responsive Legal Perspective

Gumelar Taufik Yugo Rahmanto; Arman Nefi

Faculty of Law, University of Indonesia, Indonesia

<http://dx.doi.org/10.18415/ijmmu.v11i6.5953>

Abstract

The writing of this article aims to analyze whether the policy of widening the budget deficit for handling COVID-19 is in accordance with the perspective of responsive law. The Corona Virus Disease 2019 (COVID-19) pandemic has caused a multidimensional crisis, the impact of which is felt throughout the world, including Indonesia. The extraordinary impact of COVID-19 conditions occurs in the humanitarian sector and the economic sector. The government took swift measures, through Perpu 1/2020, which specified that the budget deficit could exceed 3%. The research method used is doctrinal legal research, with research typology using descriptive-analytical. The research material uses secondary data, which includes primary, secondary, and tertiary legal materials. The writing of this article will use literature studies whose results are analyzed qualitatively. Through this research, it was found that the policy of widening the budget deficit has provided fiscal space for the government to maneuver in order to finance the handling of COVID-19, which is focused on three areas, namely Health, Social Safety Net, and Economic Recovery. This responsive policy has provided legal legitimacy that allows the Government to achieve its goal of protecting the public from the dangers of the COVID-19 pandemic. The policy of widening the budget deficit has also saved lives and restored the people's economy.

Keywords: *COVID-19; Deficit Widening; Responsive Law*

Introduction

We still remember how terrible the COVID-19 virus has devastated the world. The virus was first detected in the city of Wuhan, People's Republic of China,¹ in total it has caused the loss of 6.9 million lives (data as of 20 December 2023).² The COVID-19 pandemic has created a multidimensional crisis, which has not only attacked the health sector, but also the economic and social sectors. The devastating economic and social crisis around the world has also significantly changed people's way of life. The outbreak and implementation of social restrictions around the world resulted in a reduction in economic

¹WHO, "Listings of WHO's response to COVID-19", on 29 June 2020, available at <https://www.who.int/news/item/29-06-2020-covid-timeline>, accessed March 28, 2024

²WHO, "Coronavirus disease (COVID-19) Dashboard", available at <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>, accessed April 5, 2024

activity by many consumers and producers, including pressure on companies and banks,³ massive unemployment,⁴ disruption to global supply chains,⁵ and learning loss due to disruption of the education system.⁶ This unprecedented combination of worst shocks caused deep recessions in various countries around the world, including Indonesia.⁷

The global economy contracted by 3.1% in 2020, in contrast to the previous growth estimate of 3.3%.⁸ Indonesia experienced an economic contraction of 2.07% in 2020⁹, in contrast to the 5.3% target in the 2020 budget¹⁰ and increasing open unemployment from around 5% to 7.07% or around 9.77 million people in 2020. The poverty rate also increased to more than 10%, the Gini ratio rose from 0.380 to 0.385.¹¹

Countries around the world are providing substantial fiscal support in handling the pandemic. Learning from China's response in dealing with the COVID-19 outbreak which prioritized speed, almost all countries quickly responded to save their economies by implementing fiscal expansion policies and easing monetary policies.¹² By looking at the existing conditions, both from an economic, social and public health perspective, the government quickly issued Government Regulation Number 1 of 2020 concerning the Determination of Government Regulations in Lieu of Laws of the Republic of Indonesia concerning State Financial Policy and Financial System Stability in the Context of Handling the Corona Virus Pandemic Disease 2019 (COVID-19) and/or in the context of facing dangerous threats to the national economy and/or financial system stability (hereinafter referred to as Perpu 1/2020), which was later stipulated as Law Number 2 of 2020 (hereinafter referred to as with Law 2/2020). Law 2/2020 provides a legal basis for the government to manage state finances to deal with COVID-19, in particular widening the fiscal deficit beyond the maximum limit of 3% of GDP as regulated in the Law related to State Finance.¹³ This anticipatory step was not only taken by Indonesia but was also taken by almost all countries, as can be seen in the graph below.¹⁴

³Anton H. Gunawan and Adhi N. Saputro, "Impact of the COVID-19 Shock on Banking and Corporate Sector Vulnerabilities in Indonesia", *Bulletin of Indonesian Economic Studies*, Vol. 57, no. 2, (2021), p. 166

⁴Nicolas Petrosky-Nadeau and Robert G. Valletta, "An Unemployment Crisis after the Onset of COVID-19", *Research from Federal Reserve Bank of San Francisco Economic Letter*, Vol. 12, (2020), p. 1

⁵OECD, "Food Supply Chains and COVID-19: Impacts and policy Lessons", (Paris: OECD, 2020), p 2

⁶Robin Donnelly and Harry Anthony Patrinos, "Learning Loss during COVID-19: An Early Systematic Review", *Prospects*, Vol. 51, no. 4 (2021), p. 607

⁷Asep Suryahadi, Ridho Al Izzati, and Athia Yumna, "The Impact of COVID-19 and Social Protection Programs on Poverty in Indonesia". *Bulletin of Indonesian Economic Studies*, Vol. 57, no. 3, (2021), p. 288.

⁸International Monetary Fund, "World Economic Outlook Update: Tentative Stabilization, Sluggish Recovery?", January 2020, available at [https://www.imf.org/en/Publications/WEO/Issues/2020/01/20/weo-update-january2020#:~:text=Tentative%20Stabilization%2C%20Sluggish%20Recovery%3F,-Full%20Text%20PDF&text=Global%20growth%20is%20projected%20to,World%20Economic%20Outlook%20\(WEO\).](https://www.imf.org/en/Publications/WEO/Issues/2020/01/20/weo-update-january2020#:~:text=Tentative%20Stabilization%2C%20Sluggish%20Recovery%3F,-Full%20Text%20PDF&text=Global%20growth%20is%20projected%20to,World%20Economic%20Outlook%20(WEO).), accessed April 5, 2024

⁹Ministry of Finance, *Portrait of the Indonesian Economy 2020*, (Jakarta: Ministry of Finance-BKF, 2021), p. 37

¹⁰Ministry of Finance, *2020 APBN Principles: Accelerating Competitiveness Through Innovation and Strengthening the Quality of Human Resources*, (Jakarta: Ministry of Finance, 2019), p. 8

¹¹Central Bureau of Statistics, "Gini Ratio September 2020 recorded at 0.385", on February 15 2021, available at <https://www.archive.bps.go.id/pressrelease/2021/02/15/1852/gini-ratio-september-2020-terputar-sebesar-0-385.html>, accessed March 28, 2024

¹²Veronica Guerrieri, et al., "Macroeconomic Implications of COVID-19: Can Negative Supply Shocks Cause Demand Shortages?", *NBER Working Paper Series No. 26918*, (2020), p. 2

¹³Ministry of Finance, *Perpu no. 1 of 2020: What and Why?*, (Jakarta: Ministry of Finance-Setjen, 2020), p. 5

¹⁴Ministry of Finance, "The Influence of Covid-19 on Global Socioeconomic Conditions 2020", available at <https://pen.kemenkeu.go.id/in/page/socialeconomicglobal>, accessed March 28, 2024

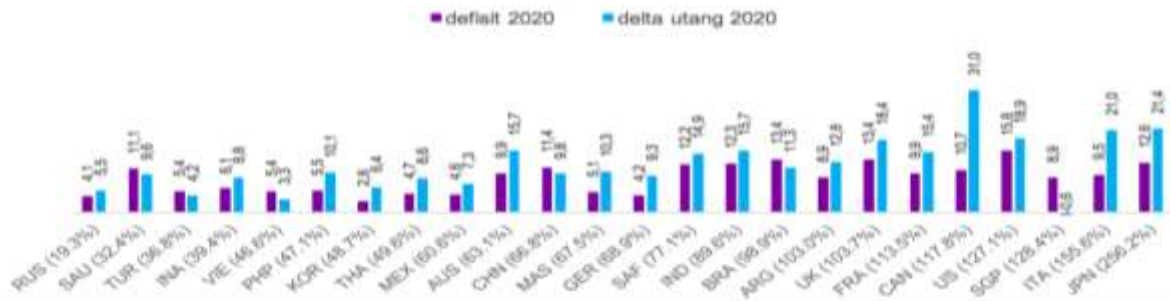


Chart1. G20 and ASEAN-6 Deficit and Additional Debt (% of GDP)

Source: Ministry of Finance

The need for a shopping budget has increased significantly. This is urgent and cannot be ignored in efforts to save people's lives, as well as protect the Indonesian economy from being hit further. This of course requires quite a lot of funds, even though on the other hand revenues from the taxation sector are under pressure due to the decline in economic activity. In this way, widening the deficit cannot be avoided. This policy is a necessary condition because the goal of fiscal policy is to act as a buffer during short-term shocks.¹⁵

The deficit widening policy stipulated by Law 2/2022 is a responsive effort carried out by the government in an effort to meet community needs. Providing space for a deficit of more than 3%, it indicates that the law is open, flexible and adaptive, because up to now, the deficit has always been kept below 3%.¹⁶ However, this policy is solely in the interests of the people, namely saving people's lives and the Indonesian economy.

In academic studies related to government policy responses in handling the COVID-19 pandemic, two significant studies have provided comprehensive insights. First, research by Rizki Ramadani (et.al) in 2021, entitled "Indonesia's Legal Policy During Covid-19 Pandemic: Between The Right To Education And Public Health", focuses on the analysis of Indonesian legal policy in fulfilling people's rights to education in this era. pandemic, as well as analyzing how the government responds to society's demands.¹⁷ Second, Muhamad Beni Kurniawan in 2021, entitled "Government Legal Politics in Handling the Covid-19 Pandemic Viewed from the Perspective of the Human Right to Health", focused on analyzing the government's response and policies in handling the COVID-19 pandemic from the perspective of the human right to health.¹⁸ These two studies, although important, are limited to a human rights perspective in the education and health sectors, without delving into the legal aspects related to fiscal policy that enable the implementation of these policies.

In contrast to this research, the author's article takes a new approach by focusing on responsive legal analysis in the policy of widening the budget deficit, especially through the lens of Law Number 2 of 2020. This research explores how this law not only aims to stabilize the economy but also in response to the urgent needs of society arising from the health crisis. Through this review, I hope to fill a gap in the literature by highlighting the importance of responsive and flexible legal adaptation, which allows governments to act effectively and fairly in the face of emergency situations.

¹⁵ Enrique Alberola, et al., "Fiscal Response to the COVID-19 Crisis in Advanced and Emerging Market Economies", *Pacific Economic Review*, Vol. 26, no. 4 (2021), p. 460

¹⁶ Since the promulgation of Law 17 of 2003 concerning State Finance, the APBN deficit has never exceeded 3%. Bearing in mind that in accordance with the elucidation of Article 17 paragraph (3) of the Law, the budget deficit is limited to a maximum of 3% of GDP.

¹⁷ Rizki Ramadani, Yuli Adha Hamzah, Arianty Anggraeni Mangerengi, "Indonesia's Legal Policy During Covid-19 Pandemic: Between The Right To Education And Public Health", *Journal of Indonesian Legal Studies*, Vol. 6, Issue 1, (2021)

¹⁸ Muhamad Beni Kurniawan, "Government Legal Politics in Handling the Covid-19 Pandemic Viewed from the Perspective of the Human Right to Health", *Human Rights Journal*, Vol.12, No. 1, (2021)

Thus, this article provides a new and in-depth perspective on the interaction between fiscal policy and the legal framework, showing how principles of justice and accountability are integrated in policy actions during periods of crisis. This research aims to increase understanding of how legislation can be designed and implemented for a response that is not only rapid but also comprehensive in dealing with the multidimensional challenges posed by the global pandemic.

In connection with the above background, the aim of writing this article is to analyze whether the policy of widening the budget deficit for handling COVID-19 is in accordance with a responsive legal perspective. Even though based on audited results from the Supreme Audit Agency, the Central Government Financial Report from 2020 to 2022 has received an unqualified opinion, it is still important to investigate the budget deficit policy in handling COVID-19, as an effort to theoretically validate a policy.

Formulation of the Problem

Based on the background above, the formulation of the research problem that is relevant for analysis is:

- 1) How to Handle COVID-19 Through a Policy to Widen the Budget Deficit?
- 2) What is the View from a Responsive Legal Perspective on the Policy of Widening the Budget Deficit to Handle COVID-19?

Research Methods

The research was conducted using doctrinal legal research methods,¹⁹ with a research typology using descriptive-analytical analysis that comprehensively and systematically describes the legal basis for regulations related to widening the APBN deficit and handling the COVID-19 pandemic. Legal research using doctrinal legal research methods focuses on literature study. For this reason, the data that will be used as research material is secondary data, which includes primary, secondary and tertiary legal materials.²⁰

This research uses these three data. The primary legal materials used include: Law 17 of 2003 concerning State Finances, Law 2 of 2022 concerning Stipulation of Government Regulation Number 1 of 2020 concerning Stipulation of Government Regulations in Lieu of Laws of the Republic of Indonesia concerning State Financial Policy and Financial System Stability in the Context of Handling the 2019 Corona Virus Disease (COVID-19) Pandemic) and/or in the context of facing dangerous threats to the national economy and/or financial system stability into law, Law 20 of 2020 concerning the Law concerning the 2020 APBN, PP 23 of 2020 concerning the Implementation of the National Economic Recovery Program in the Context of Supporting State Financial Policy for Handling the 2019 Corona Virus Disease (Covid-19) Pandemic and/or Facing Threats That Endanger the National Economy and/or Financial System Stability and Saving the National Economy, PMK 168/PMK.08/2019 concerning Auctions of Government Debt Securities in the Domestic Primary Market, PMK 195/PMK.08/2020 concerning Auctions of Government Sharia Securities in the Domestic Primary Market. For the secondary legal materials used include various literature in the form of books, articles in the field of law as well as official documents and reports published by the government or organizations, both international and national, which are related to this research. Tertiary legal materials that will be used in research include the internet.

¹⁹Nico Ngani, *Research Methods and Legal Writing*, (Jakarta: PT Buku Seru, 2012), p. 65-66.

²⁰*Ibid*, p. 78

This research will use qualitative methods as outlined in narrative form, thus providing a comprehensive picture so that conclusions can be drawn by focusing on the research object being studied in accordance with the problems prepared, guided by the theoretical framework and conceptual framework. The author will carry out validation using existing legal materials, to analyze the policy of widening the budget deficit in handling COVID-19 using responsive legal theories and concepts.

Discussion

A. Handling COVID-19 Through a Policy for Widening the Budget Deficit

The COVID-19 pandemic has caused a multidimensional crisis, impacting every economy throughout the world, including Indonesia. The spread of the COVID-19 virus has caused enormous casualties. On December 31 2020, the death toll from COVID-19 had reached 21,944 people.²¹ The Delta variant wave with the highest death toll reached 35,628 people.²² In the economic sector, COVID-19 has hit the Indonesian economy. In 2020, COVID-19 reduced annual economic growth from 2.97% in the first quarter to -5.3% in the second quarter, and at the end of 2020 it became -2.07%. Demands for funding the health sector, social safety nets and other expenditures for handling COVID-19 as well as the need to accelerate national economic recovery have increased.

The need for an increased spending budget is urgent and cannot be ignored in an effort to save people's lives, as well as protect the Indonesian economy from being hit further.²³ This of course requires quite a lot of funds, even though on the other hand revenues from the taxation sector are under pressure due to the decline in economic activity. The government took immediate steps to make the budget more flexible, as it faced unprecedented circumstances through Perpu 1/2020, which was later enacted into Law 2/2020.

Indonesia's budget has a maximum deficit limit of 3% of GDP,²⁴ through Law 2/2020 has stipulates that the budget deficit is allowed to exceed the maximum threshold of 3% of GDP for 3 years, namely until 2022.²⁵ Even though according to regulations the government is given flexibility to be able to implement a budget deficit of more than 3% until 2022. In reality In 2022, the government has been able to reduce the budget deficit level again to below 3%. This cannot be separated from the government's success in handling COVID-19 and implementing good fiscal discipline. The following is a graph of the Budget Deficit for the 2020-2022 period:²⁶

²¹Ministry of Health, "Current Situation of COVID-19 Development", as of December 31, 2023, available at [https://detikemerging.kemkes.go.id/situasi-detik-emerging/situasi-terkini-perkembangan-coronavirus-disease-covid-19-31-desember-2020#situasi_terkini_perkembangan_coronavirus_disease_\(covid-19\)_31_desember_2020](https://detikemerging.kemkes.go.id/situasi-detik-emerging/situasi-terkini-perkembangan-coronavirus-disease-covid-19-31-desember-2020#situasi_terkini_perkembangan_coronavirus_disease_(covid-19)_31_desember_2020), accessed March 28, 2024

²²CNBC Indonesia, "160 Thousand Lives Lost Due to Corona, the Deadliest Delta", on March 10 2023, available on <https://www.cnbcindonesia.com/research/20230310141639-128-420655/160-ribu-nyawa-melayang-besar-corona-delta-paling-mematikan/2>, accessed March 28, 2024

²³Dian Lestari and Irwanda Wisnu Wardhana, *Formulating Policy in the Midst of the COVID-19 Pandemic*, (Jakarta: Gramedia Pustaka Utama, 2021), p. 5

²⁴Law Concerning State Finances, Law 17 of 2003, LN of 2003 No. 47, TLN No. 4286, Explanation of Article 12 paragraph (3)

²⁵"Law concerning the Stipulation of Government Regulation Number 1 of 2020 concerning the Stipulation of Government Regulations in Lieu of Laws of the Republic of Indonesia concerning State Financial Policy and Financial System Stability in the Context of Handling the 2019 Corona Virus Disease (COVID-19) Pandemic and/or in the Context of Facing Threats Dangers to the National Economy and/or Financial System Stability Become Law," Law 2 of 2022, LN of 2022 No. 134, TLN No. 6516, Article 2 paragraph 1 letter (a)

²⁶Ministry of Finance, 2024 APBN Advertorial, (Jakarta: Ministry of Finance, 2023), p. 29

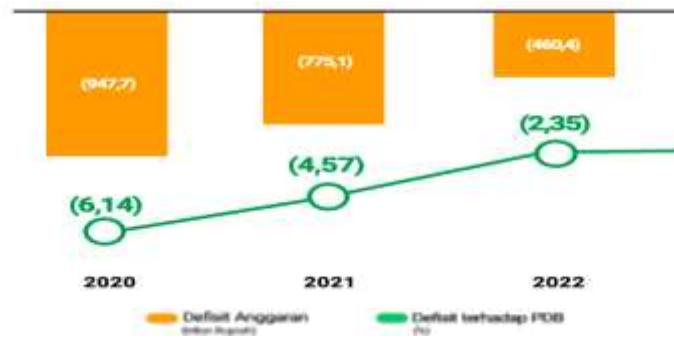


Chart2. 2020-2022 Budget Deficit
Source: Ministry of Finance

The deficit is met through budget financing or debt. From graph 2 above, it can be seen that to finance the COVID-19 pandemic, the Government has attracted budget or debt financing of IDR 2,183.2 trillion from 2020 to 2022. This budget financing is used to focus on three areas, namely (1) health, (2) social safety nets for vulnerable households, and (3) economic recovery.²⁷ The Government's efforts to protect the public and business world from the impact of COVID-19 are framed in the COVID-19 Handling and National Economic Recovery Program (hereinafter referred to as the PC-PEN Program). Based on Article 1 point 1 of Government Regulation Number 23 of 2020 concerning Implementation of the National Economic Recovery Program in the Context of Supporting State Financial Policy for Handling the Corona Virus Disease 2019 (COVID-19) Pandemic and/or Facing Threats That Endanger the National Economy and/or Financial System Stability As well as Saving the National Economy (hereinafter referred to as PP 23/2020), as amended by Government Regulation 43 of 2020 (hereinafter referred to as PP 43/2020), states that:

"The PEN program is an activity for national economic recovery which is part of the state financial policy implemented by the Government to accelerate the handling of the COVID-19 pandemic and/or face threats that endanger the national economy and/or financial system stability and save the national economy."

The PEN program is implemented with the following principles:²⁸

- a. "Principles of social justice"
- b. "The greatest prosperity of the people;"
- c. "Supporting Business Actors;"
- d. "Applying prudent policy principles, as well as good, transparent, accelerated, fair and accountable governance in accordance with the provisions of laws and regulations;"
- e. "Does not create moral hazard;" And
- f. "There is a sharing of costs and risks between stakeholders according to their respective duties and authorities."

In running the PC-PEN Program, from 2020 to 2022 the Government has allocated a budget of IDR 1,645 trillion.²⁹ The PEN budget allocation changes every year. As stated by the Deputy Minister of

²⁷Presidential Regulation Concerning Changes in Posture and Details of the State Revenue and Expenditure Budget for Fiscal Year 2020, Presidential Decree 54 of 2020, LN of 2020 No. 94, Article 2

²⁸ Government Regulation Concerning the Implementation of the National Economic Recovery Program in the Context of Supporting State Financial Policy for Handling the 2019 Corona Virus Disease (Covid-19) Pandemic and/or Facing Threats That Endanger the National Economy and/or Financial System Stability and Saving the National Economy, PP 23 of 2020, LN of 2020 No. 131, TLN No. 6514, article 3

Finance, Suahasil Nazara, that PEN's budget allocation is designed to be as flexible as possible. This flexibility does not indicate that the Government wants to violate existing provisions, but it does need to be looked at and looked at one by one. In other words, flexibility in this context must be carried out in an accountable manner by continuing to carry out audits, remaining accountable, and still reporting.³⁰

At first stimulus package COVID-19 only worth IDR 405 trillion. However, the negative impact of COVID-19 which is increasingly widespread and threatens livelihoods, requires extra ordinary policies. With the flexibility of the fiscal deficit to exceed 3% of GDP, the stimulus was then increased from IDR 405 trillion to IDR 695.2 trillion, aimed at supporting the Health Sector, Social Protection, Regional and Sectoral Government, MSMEs, Corporate Financing and Business World Incentives.³¹

Support to the health sector is provided for health worker incentives, treatment claim costs, procurement of PPE, medical equipment/sarpras, as well as operations and socialization of PSBB enforcement and health protocols. Social Protection support is provided to support purchasing power to reduce the rate of increase in poverty and encourage public consumption. Regional and Sectoral Government Support is a program to support regional governments and ministries/institutions in the economic recovery process. Support for MSMEs is a program to support MSME capital and cash flow during the pandemic in the form of capital assistance either through banks or directly. Corporate financing support provided through BUMN as well as working capital guarantees. Business World Incentive Support is a tax incentive provided to maintain the sustainability of the business world and people's purchasing power (PPH 21 DTP).³²

The following is the PC-PEN Program allocation for 2020.³³

Table 1. PC-PEN 2020 Program Budget Allocation
Total Allocation IDR 695.20T

Handling Field	Amount	Handling Field	Amount
1. Health	Rp. 87.55 T	2. Social Protection	Rp. 203.90 T
a. Shop for Covid-19 handlers	Rp. 65.8 T	a. PKH	Rp. 37.40 T
b. Medical Personnel Incentives	Rp. 5.9 T	b. Groceries	Rp. 43.60 T
c. Compensation for death		c. Jabodetabek social assistance	Rp. 6.80T
d. Covid-19 Task Force	Rp. 0.3 T	d. Non-Jabodetabek Social Assistance	Rp. 32.40T
e. Tax Incentives in the Health Sector	Rp. 3.00 T	e. Pre Worker	Rp. 20.00T

²⁹ Airlangga Hartarto, "KPC-PEN Budget Realization Reaches IDR 1,645.4 Trillion", available on January 26 2023, available at <https://infopublik.id/detik/national-economic-bisnis/705602/index.html>, accessed November 29, 2023

³⁰ Suahasil Nazara, "Deputy Minister of Finance Describes the Storyline of the PEN Budget", on January 26 2023, available at <https://www.kemenkeu.go.id/information-publik/publikasi/berita-utama/Wamenkeu-Uraikan-Jalan-Cerita-Anggaran-PEN>, accessed November 27, 2023

³¹ Ministry of Finance, Recording the Covid-19 Pandemic and Understanding the Hard Work of APBN Employees, (Jakarta: Ministry of Finance, 2021), p. 32

³² Lestari and Irwanda Wisnu Wardhana, "Concocting Policy in the Middle...", p. 17-26

³³ Ministry of Finance, PEN Progress Report as of 24 June 2020, available at <https://pen.kemenkeu.go.id/api/Medias/737b9f28-87a3-4c52-b635-f7d4ec0b6970>, accessed March 28, 2024

Handling Field	Amount	Handling Field	Amount
	Rp.9.05T	f. Electricity Discount	Rp.6.90T
		g. Logistics/Food/Sembako	Rp.25.00T
		h. Village Fund BLT	Rp.31.80T
3. Sectoral K/L	Rp.106.11 T	4. MSMEs	Rp. 123.46
a. K/L Labor Intensive Program	Rp.18.44T	a. Interest Subsidy	Rp.35.28T
b. Housing Incentives	Rp.1.30T	b. Placement of Funds for Restructuring	Rp.78.78T
c. Tourist	Rp.3.80T	c. IJP shopping	Rp.5.00T
d. DID Economic Recovery	Rp.5.00T	d. Guarantee for Working Capital (stop loss)	Rp.1.00T
e. Physical DAK Reserves		e. UMKM DTP Final Income Tax	Rp.2.40T
f. Regional Loan Facility	Rp.8.70T	f. Investment Financing for Cooperatives through LPDB UMKM	Rp.1.00T
g. Expansion Reserve	Rp.10.00T		
	Rp.58.87T		
5. Corporate Financing	Rp.53.57T	6. Business Incentives	Rp.120.61T
a. Placement of Funds for Labor Intensive Restructuring	Rp.3.42T	a. PPh 21 DTP	Rp.39.66T
b. PMN		b. Exemption from Import PPh 22	Rp.14.75T
c. Bailout for Working Capital	Rp.20.50T	c. Reduction of PPh 25 Installments	Rp.14.40T
	Rp.29.65T	d. Preliminary VAT Refund	
		e. Decrease in Corporate Income Tax Rates	Rp.5.80T
		f. Other Stimuli	Rp.20.00T
			Rp.26.00T

Source: Ministry of Finance

As for the realization of the PEN Program in 2020 reached IDR 579.78 trillion or 83.4% of the budgeted ceiling.³⁴

In 2021, the focus of the APBN will still be the same, namely to support the continued handling of the pandemic, encourage economic recovery and consolidate fiscal affairs.³⁵ In the 2021 RAPBN, PC-PEN program budgeted amounting to IDR 403.9 trillion, but when the Delta variant came in it increased to IDR 744.8 trillion. The PC-PEN Program budget allocation for 2021 is as follows.³⁶

Table 2. PC-PEN 2021 Program Budget Allocation
Total Allocation IDR 695.20T

Handling Field	Amount	Handling Field	Amount
1. Health	Rp.214.95 T	2. Social Protection	Rp. 187.84 T
a. Diagnostics (Testing & Tracing)	Rp.4.08T	a. PKH	Rp. 23.81 T
b. Therapeutic	Rp.86.43T	b. Rice Aid	Rp.3.58 T
c. Vaccination	Rp.57.84T	c. Basic Food Card	Rp.49.89T
d. Covid-19 Lab Research	Rp.0.67T	d. PPKM basic food supplies	Rp.7.08T
e. BNPB	Rp.1.99T	e. BST	Rp.17.46T
f. Communication	Rp.0.50T	f. Pre-Employment Card	Rp.21.20T
g. Covid-19 Lab Infrastructure	Rp.1.60T	g. Electricity Discount	Rp.9.49T
h. PPKM thickening	Rp.0.79T	h. Village BLT	Rp.28.80T
i. JKN PBPU Contribution Assistance	Rp.2.43T	i. BSU	Rp.8.80T
j. Health Tax Incentives	Rp.20.85T	j. Quota Subsidy	Rp.8.53T
k. BOK allocation for Tracing/PPE	Rp.3.30T	k. JKP dues	Rp.1.55T
l. TKDD earmarks for Covid-19	Rp.31.36T	l. Educational anticipation and more	Rp.3.14T
m. Emergency Hospital	Rp.2.75T		
n. Oxygen Provision	Rp.0.37T		
3. Priority Program	Rp.117.94 T	4. MSME & Corporate Support	Rp. 161.20T
a. K/L Labor Intensive Program	Rp.37.37T	a. Interest subsidies for KUR and Non-KUR MSMEs	Rp.42.17T
b. Tourism al for KSPN, Ecowisata, as well as	Rp.7.67T	b. BPUM (Business Unit)	Rp.15.36T
		c. IJP MSMEs and	Rp.5.66T

³⁴Ministry of Finance, "Developments in the Implementation of the Covid-19 Handling Program and National Economic Recovery", January 4 2021, available at <https://pen.kemenkeu.go.id/api/Medias/23a61caf-2596-4229-ad56-97a6ba733578>, accessed March 28, 2024

³⁵Sri Mulyani Indrawati, "APBN 2021: Accelerating Economic Recovery and Strengthening Reforms", Presented in the Foreword to the 2021 APBN Information Book, which is available at <https://media.kemenkeu.go.id/getmedia/b5715b29-76d8-4357-8cd6-9ce98209c4f3/information-apbn-2021.pdf>

³⁶Ministry of Finance, "Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2021", on July 23 2021, available at <https://pen.kemenkeu.go.id/api/Medias/64667e2d-028d-4598-b014-2dfe082450f9>, accessed March 28, 2024

Handling Field	Amount	Handling Field	Amount
HR training		Corporations	
c. Food Security al for food estate and irrigation programs	Rp.33.10T	d. Loss Limit Guarantee for MSMEs and Corporations	Rp.2.00T
d. ICT al for the provision of network rental BTS for DTKS upgrades	Rp.16.66T	e. Waiver of Recmin, Expense Fees, and Abodemen	Rp.2.11T
e. Industrial area		f. PMN	
f. Creative Economy Support	Rp.10.54T	g. Placement of funds for banking credit restructuring	Rp.46.76T
g. Regional Loan Facility	Rp.2.40T	h. Other Financing	Rp.30.25T
h. Other priority programs include TKDN and regional loan interest subsidies	Rp.10.00T		Rp.16.90T
	Rp.0.19T		
5. Business Incentives	Rp.62.83 T		
a. PPh 21 DTP	Rp.5.16T		
b. UMKM DTP Final Income Tax	Rp.1.42T		
c. PPnBM DTP for Motor Vehicles	Rp.3.46T		
d. BM DTP			
e. VAT DTP Housing	Rp.0.49T		
f. Exemption from Import PPh 22	Rp.3.31T		
g. Reduction of PPh 25 Installments	Rp.13.35T		
h. Preliminary VAT Refund	Rp.20.49T		
i. Decrease in Corporate Income Tax Rates	Rp.6.48T		
j. KITE does not collect VAT	Rp.6.53T		
k. Final Income Tax DTP P3TGAI	Rp.0.004T		
l. VAT DTP Outlet Rental	Rp.0.07T		
m. Carry over DTP 2020	Rp.1.18T		
	Rp.0.88T		

Source: Ministry of Finance

As for realization of the PEN Program in 2021 reached IDR 658.6 trillion or 88.4% of the budgeted ceiling.³⁷

³⁷Ministry of Finance, "Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2021", on January 3 2022, available at <https://pen.kemenkeu.go.id/api/Medias/58973996-0bfd-4e57-b14b-def1e90107b9>, accessed March 28, 2024

In 2022, the APBN focus will continue to support economic recovery and structural reform while remaining anticipatory of uncertainty.³⁸The PC-PEN program in 2022 is budgeted at IDR 455.62 trillion,³⁹with realization of IDR 280 trillion.⁴⁰The PC-PEN Program budget allocation is as follows:⁴¹

Table 3. PC-PEN 2022 Program Budget Allocation
Total Allocation IDR 455.62T

Handling Field	Amount
1. Health	Rp.122.54 T
2. Community Protection	Rp. 154.76 T
3. Strengthening Economic Recovery	Rp.178.32 T

Source: Ministry of Finance

B. Responsive Legal Perspective on the Policy of Widening the Budget Deficit for Handling COVID-19

Responsive law is law that emerges from cultural processes.⁴²This arises from the state's desire to have a legal system that is open to the aspirations of its people. Philip Nonet and Philip Selznick developed the concept of responsive law which emphasizes the adaptability of law to social change. They recognize that society is a complex entity, evolving over time, and with diverse values.⁴³Therefore, the law must be able to respond to social changes and accommodate the needs and aspirations of society. The concept of Responsive Law emphasizes the importance of legal flexibility and its ability to adapt to social dynamics.⁴⁴

In a responsive legal perspective, responsive institutions maintain their essential integrity and continue to take into account new forces in their environment. Responsiveness reinforces the way openness and integrity can support each other, even when faced with conflict between them. Responsive institutions view social pressure as a source of knowledge and an opportunity for self-improvement. Responsive law is synonymous with a type of law that is adaptive to dynamics, culture and civilization, which is not permanent.

³⁸Ministry of Finance, "2022 APBN Financial Notes", (Jakarta: Ministry of Finance, 2021), p. 3

³⁹Ministry of Finance, "Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2022", on March 11 2022, available at <https://pen.kemenkeu.go.id/api/Medias/7ee532ad-ee74-4f06-aa44-071a480f121f>, accessed March 28, 2024

⁴⁰Ministry of Finance, "Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2022", on 18 November 2022, available at <https://pen.kemenkeu.go.id/api/Medias/7bfeac91-258f-4e2e-9a11-6e2f90f8747f>, accessed March 28, 2024

⁴¹Ministry of Finance, "Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2022", on 18 November 2022, available at <https://pen.kemenkeu.go.id/api/Medias/7bfeac91-258f-4e2e-9a11-6e2f90f8747f>, accessed March 28, 2024

⁴²La Ode Husen and Nurul Qamar, "Legal Theory: The Relationship between Theory and Reality", (Makassar: Humanities Gnius, 2022), p. 25

⁴³Philippe Nonet and Philip Selznick, Law and Society in Transition: Toward Responsive Law [Collected by Satya Arinanto in Legal Politics 2], (Jakarta: Magister UI), p. 125

⁴⁴Philippe Nonet and Philip Selznick, Responsive Law: Choices in Times of Transition, translated by Syamsur Irawan Kharie, (Jakarta: Ford Foundation-HuMa, 2003), p. 6

For adherents of responsive law, law is a social institution. Therefore, law is seen as more than just a system of rules but also as a means of fulfilling social functions for society.⁴⁵ Nonet and Selznick position law as a means of responding to social provisions and community aspirations through responsive law. This is in line with the open nature of responsive law, and this type of responsive law emphasizes accommodation to accept social change in order to achieve societal justice.⁴⁶ According to Nonet and Selznick, responsive law is a program of sociological jurisprudence and realist jurisprudence. Both schools essentially call for more empirical legal studies beyond the boundaries of formalism, the expansion of legal knowledge, and the role of policy in making legal decisions.⁴⁷

There are several characteristics and principles of responsive law according to Nonet and Selznick:⁴⁸

a. "Community participation in making laws

Responsive law values community participation in lawmaking and considers it an important aspect of legal decision making.

b. Responsive to community needs:

Responsive law seeks to overcome social problems that arise in society, such as injustice and social inequality, by responding and providing appropriate solutions.

c. Flexible and adaptive:

Responsive law must be flexible and adaptive to respond to changes in society, allowing it to adapt to evolving needs.

d. Results oriented

Responsive law focuses not only on enforcing existing legal rules but also on achieving desired outcomes such as justice and equality.

e. Collaborative:

Responsive law combines collaboration between society, government and legal institutions to achieve common goals."

Responsive law seeks to resolve existing tensions.⁴⁹ Responsive law cannot be said to be an open or adaptive legal model. The reason is that responsive law seeks to demonstrate responsible adaptability.⁵⁰ Law responsive is an adaptive approach that is selective and not haphazard. Unselective and haphazard application of the law will make legal obligations problematic and negotiated, vulnerable to policy considerations and pressure from social and political conditions. Openness itself affects integrity and competence as well as legal institutions.⁵¹

The COVID-19 pandemic conditions have caused a substantial decline in household consumption and business activities, causing state revenues, especially tax revenues, to collapse due to the sudden cessation of economic activities.⁵² On the other hand, demands for funding the health sector, social safety

⁴⁵Moh. Anas Kholish and Ilham Fitra Ulumuddin, "Rule of Law and Social Change: A Review of Western Law and Islamic Law", *Peradaban Journal of Law and Society*, Vol. 1, No. 1 (2022), p. 50

⁴⁶Henry Arianto, "Responsive Law and Law Enforcement in Indonesia", *Lex Jurnalica*, Vol. 7 No.2, (2010), p. 117

⁴⁷Sulaiman, "Responsive Law: Law as a Social Institution Serving Social Needs in a Period of Transition", *Samudera Hukum Legal Journal*, Vol. 9, no. 2, (2014), p. 6

⁴⁸Teja Sukmana, Zahrah Salsabillah Ashari, Yadi Darmawan, "Responsive Law and Progressive Law: Examining the Legal Ideas of Philip Nonet, Philip Selznick, and Sadjipto Raharjo", *Peradaban Journal of Law and Society*, Vol. 1, Issue. 3 (2023), p. 99

⁴⁹Nonet and Philip Selznick, "Law and Society ...", p. 120

⁵⁰Agam Ibnu Asa, Misnal Munir, Rr. Siti Murti Ningsih, "Nonet and Selznick's Responsive Law Concept in A Historical Philosophy Perspective", *Credito Journal*, Vol. 03, No. 02, (2021), p. 102

⁵¹Nonet and Philip Selznick, "Law and Society ...", p. 147

⁵²Bishop, John Boulter and Tom Rosewall, "Tracking Consumption during...", p. 28

nets and other expenditures for handling COVID-19 are increasing as well as the need to accelerate national economic recovery.

The uncertainty caused by the COVID-19 pandemic requires new ways of governance because the usual patterns no longer suit the existing situation. With the projected extraordinary socio-economic impact of COVID-19, the government's role is very important in the economy during the pandemic. When consumption, investment, and exports (and imports) are paralyzed, government spending becomes the only thing that can be optimized. The government budget serves as a cushion to not let national output fall further. This new situation requires fiscal policy to be flexible, responsive and adaptive at the same time.⁵³

There is a dilemma that can be described when the government has to choose between saving lives (health crisis) or saving the economy (economic recession) in the form of a choice of restrictions from the most extreme to the mild, such as lockdown, PSBB, etc. So you could say there is this dilemma but the government has succeeded in formulating policies so that it can save everything. Governments do not have the luxury of choosing whether to save the lives of their people or the economy. The Government must save all sectors, even though the consequence is that the APBN will work as hard as possible.⁵⁴

When the economy experiences a contraction,⁵⁵ the number of fatalities continues to increase. The government needs to come up with responsive policies that enable people to meet their living needs while struggling to survive. The government took immediate steps to make the budget more flexible when faced with unprecedented circumstances through emergency laws viz Perpu 1/2020, which was later enacted into Law 2/2020. Through this regulation, the Government this time has the flexibility to finance the needs for handling COVID-19.⁵⁶ Law 2/2020 is very important for the Government because it provides space for the government to be able to attract budget financing⁵⁷ provided that the budget financing deficit exceeds 3% of GDP until 2022 and gives Bank Indonesia the authority to purchase Government Securities issued by the Government on the Primary Market.⁵⁸ It must be acknowledged that the most fundamental and important regulatory substance for the government in Law 2/2022 are these two policies. The provisions regarding this matter are contained in Article 2 paragraph 1 of Law 2/2020 paragraph (1) letters a and b, which reads as follows:

(1) *"In the context of implementing state financial policies as intended in Article 1 paragraph (4), the Government has the authority to:*

a. Sets a limit on the budget deficit, with the following provisions:

⁵³Ministry of Finance, "Recording the Covid-19 Pandemic...", p. 21

⁵⁴Lestari and Irwanda Wisnu Wardhana, "Concocting Policy in the Middle...", p. 23

⁵⁵Ministry of Finance, "Guarding Accountability: Handling COVID-19 and National Economic Recovery in 2020, (Jakarta: Ministry of Finance-DJPB, 2021), p. 29

⁵⁶Ministry of Finance, "Guarding Accountability: Handling ...", p. 162

⁵⁷Based on Article 1 point 23 of Law 20 of 2019 concerning the 2020 APBN, Budget Financing is defined as any receipt that is necessary, repaid, re-receipts for expenditures from previous budget years, re-expenditures for receipts from previous budget years, use of excess budget balance, and/or expenditure that will be received back, both in the relevant budget year and the following budget years." In other words, it is notarized that Budget Financing is a debt whose fulfillment is fulfilled through loan withdrawals and the issuance of Government Securities.

⁵⁸Based on PMK 168/PMK.08/2019 concerning Auctions of Government Debt Securities in the Domestic Primary Market and PMK 195/PMK.08/2020 concerning Auctions of Government Sharia Securities in the Domestic Primary Market, Bank Indonesia cannot purchase SBN issued by the Government in Primary Market. Through Law 2/2020, Bank Indonesia can buy SBN on the Primary Market. This is done as a last resort to help the Government finance the handling of COVID-19. See Perry Warjiyo, Governor of BI: Purchasing SBN at The Last Resort Pedana Market and Not BLBI, on April 3 2020, available at <https://www.bareksa.com/berita/berita-Ekonomi-terkini/2020-03-03/gubernur-bi-belian-sbn-di-pasar-perdana-the-last-resort-dan-bukan-blbi>, accessed November 29, 2023

1. *Exceed 3% (three percent) of Gross Domestic Product (GDP) during the handling of Corona Virus Disease 2019 (COVID-19) and/or to face threats that endanger the national economy and/or financial system stability no later than the end of Fiscal Year 2022 ;*
2. *starting in Fiscal Year 2023 the size of the deficit will return to a maximum of 3% (three percent) of Gross Domestic Product (GDP); And*
3. *"Adjustment of the amount of the deficit as intended in number 1 to that as intended in number 2 is carried out in stages".*
 - b.
 - c.
 - d. *"Issuing Government Debt Securities and/or State Sharia Securities for specific purposes, especially in the context of the Corona Virus Disease 2019 (COVID-19) pandemic to be purchased by Bank Indonesia, State-Owned Enterprises (BUMN), corporate investors, and/or investors retail."*

Through the policy of widening the deficit, accompanied by a strong policy mix with Bank Indonesia, during the pandemic (from 2020-2022) the Government has succeeded in attracting net financing of IDR 1,853.2 trillion.⁵⁹In fact, in 2022, the Government has succeeded in reducing the budget deficit level again below 3%, namely 2.35.⁶⁰The proceeds from this financing are of course budgeted to support the PC-PEN Program, which during the COVID-19 pandemic (2020-2022) was budgeted at IDR 1,645 trillion.⁶¹This budget is of course to support the handling of the pandemic and protection of affected communities, as well as economic recovery, especially to support job creation, the benefits of which are felt by the community, to be monitored intensively so that it can be communicated to the community.⁶²

If analyzed, the policy of widening the deficit established by the government through Law 2/2020 is in accordance with the view of the responsive legal theory put forward Philip Nonet and Philip Selznick. As explained above, deficit policy is a legal policy established to respond and adapt to the COVID-19 pandemic disaster, and this is in line with responsive legal theory which states that the law must be adaptive to all existing social conditions.⁶³

The extraordinary impact of the COVID-19 condition on the humanitarian sector and the economic sector, requires the government to always be responsive. This responsive policy has provided legal legitimacy which allows the Government to achieve its goal of protecting society from the dangers of the COVID-19 pandemic. This is in line with responsive law which provides legal considerations in accordance with the logic of practical and moral considerations,⁶⁴as well as explore alternative means to achieve legal objectives.⁶⁵

The government is very aware that responsive laws that are made quickly will be very vulnerable to abuse of authority. For this reason, the Government is very careful in formulating policies in handling

⁵⁹Ministry of Finance, "2024 State Budget Advertorial..." p. 29

⁶⁰Financial Audit Agency, "Central Government Financial Report 2022 (Audited)", (Jakarta: BPK, 2023), p. 46

⁶¹Nazara, "Deputy Minister of Finance Describes the Storyline of the PEN Budget", on January 26 2023, available at <https://www.kemenkeu.go.id/information-publik/publikasi/berita-utama/Wamenkeu-Uraikan-Jalan-Cerita-Anggaran-PEN>, accessed March 28, 2024

⁶²Ministry of Finance, "Guarding Accountability: Handling ...", p. 162

⁶³Bernard L. Tanya, Yoan N. Simanjuntak, Markus Y. Hage, Legal Theory, Human Order Strategy Across Space and Generations, (Yogyakarta: Genta Publishing, 2010), p. 205

⁶⁴Nonet and Philip Selznick, "Law and Society ...", p. 133

⁶⁵Ibid, p. 135

COVID-19 and prioritizing accountability.⁶⁶lawresponsive is an adaptive approach that is selective and not haphazard. The non-selective and haphazard application of the law will make legal obligations problematic and negotiated, vulnerable to policy considerations and the pressure of social and political conditions, and ultimately affect the integrity and competence of legal institutions.⁶⁷

This really happened during the COVID-19 period, quite a few officials were involved in corruption cases, such as the COVID-19 social assistance case which ensnared the Minister of Social Affairs, Juliari Batubara.⁶⁸ Apart from this, the government's response in handling COVID-19 through a policy of widening the budget deficit has saved people's lives and the Indonesian economy. The steps taken by the Government have been proven to be able to remove Indonesia from health and economic threats.

Conclusion

Based on the analysis carried out, it can be concluded that the implementation of the policy of widening the budget deficit through Law Number 2 of 2020, which allows the budget deficit to exceed a maximum limit of 3% of Gross Domestic Product (GDP), has provided essential fiscal space for the Indonesian government to navigate. in dealing with the multidimensional crisis caused by the COVID-19 pandemic. The widening deficit has facilitated significant budget financing, which is allocated to three critical sectors, namely:

1. Health,
2. Social safety net for vulnerable households,
3. Economic recovery.

Implementation of the COVID-19 Handling and National Economic Recovery Program (PC-PEN) with a budget of IDR 1,645 trillion is a concrete step targeting comprehensive support for these sectors. This program not only aims to support the health sector in facing the pandemic, but also guarantees social protection, supports local governments, MSMEs, corporate financing, and provides incentives for affected businesses.

In the context of responsive law, this policy reflects the flexibility and adaptation of law to dynamic and unpredictable social conditions, in line with the principles of responsive law which emphasizes sustainability, justice and legal responsiveness to community needs. The policy of widening the budget deficit has provided strong legal legitimacy for the government to achieve its main goal, namely protecting society from the direct impact of the COVID-19 pandemic.

By observing the results that have been achieved, it is clear that the policy of widening the budget deficit not only supports economic stability, but also strengthens social integrity in times of crisis, proving that a responsive approach in law can be effective in dealing with crisis situations. Through this analysis, it is evident that the steps taken by the government in handling the pandemic have effectively reflected the application of responsive legal theory, which places legal adaptation and flexibility as key factors in dealing with urgent and significant changes in society.

⁶⁶Nazara, "Deputy Minister of Finance Describes the Storyline of the PEN Budget", on January 26 2023, available at <https://www.kemenkeu.go.id/information-publik/publikasi/berita-utama/Wamenkeu-Uraikan-Jalan-Cerita-Anggaran-PEN>, accessed March 28, 2024

⁶⁷Nonet and Philip Selznick, "Law and Society ...", p. 147

⁶⁸Kompas.com, "The Beginning of the Covid-19 Social Assistance Corruption Case which Ensnared Juliari and Sentenced to 12 Years in Prison", on August 23, 2021, available on https://nasional.kompas.com/read/2021/08/23/18010551/awal-mula-kas-kokerja-bansos-covid-19-yang-menjerat-juliari-besar-divonis?page=all#google_vignette, accessed March 28, 2024

Suggestion

1. In theory, the budget deficit is met through financing or debt. For this reason, the logical consequence of the impact of widening the budget deficit is the increasing size and soaring government debt. For this reason, in the future the Government must be able to manage debt in a governance, prudent and careful manner, considering the large debt withdrawals during the COVID-19 pandemic, namely IDR 2,183.2 trillion withdrawn from 2020 to 2022.
2. This pandemic condition has provided many valuable lessons for the Government in handling the health, social and economic sectors. The most important thing is how the COVID-19 pandemic has taught us (especially the Government) to be able to think, work and coordinate quickly with limited conditions and space to formulate a major policy that can affect the lives of many people. Of course, these valuable lessons need to be prepared in a comprehensive and holistic manner or guidance regarding handling COVID-19 from all sectors, which can be used as a reference for future generations when facing the same or similar conditions.

References

Book

- Financial Audit Agency, "Central Government Financial Report 2022 (Audited)", Jakarta: BPK, 2023.
- Husen, La Ode and Nurul Qamar, "Legal Theory: The Relationship between Theory and Reality", Makassar: Humanities Gnius, 2022.
- Ministry of Finance, 2020 APBN Principles: Accelerating Competitiveness Through Innovation and Strengthening the Quality of Human Resources, Jakarta: Ministry of Finance, 2019.
- _____, Perpu No. 1 of 2020: What and Why?, Jakarta: Ministry of Finance-Setjen, 2020.
- _____, Portrait of the Indonesian Economy 2020, Jakarta: Ministry of Finance-BKF, 2021.
- _____, Recording the Covid-19 Pandemic and Understanding the Hard Work of APBN Employees, Jakarta: Ministry of Finance, 2021.
- _____, 2024 APBN Advertorial, Jakarta: Ministry of Finance, 2023.
- _____, Maintaining Accountability: Handling COVID-19 and National Economic Recovery in 2020, Jakarta: Ministry of Finance-DJPB, 2021.
- Lestari, Dian and Irwanda Wisnu Wardhana, Formulating Policy in the Midst of the COVID-19 Pandemic, (Jakarta: Gramedia Pustaka Utama, 2021), p. 5.
- Ngani, Nico, Research Methods and Legal Writing, Jakarta: PT Buku Seru, 2012.
- Nonet, Philippe and Philip Selznick, Responsive Law: Choices in Times of Transition, translated by Syamsur Irawan Kharie, Jakarta: Ford Foundation-HuMa, 2003.
- _____, Law and Society in Transition: Toward Responsive Law [Collected by Satya Arinanto in Politics of Law 2], Jakarta: Magister UI.

Organization for Economic Co-operation and Development (OECD), *Initial Budget and Public Management Responses to the Coronavirus (COVID-19) Pandemic in OECD Countries*, Paris: OECD, 2020

Article

Alberola, Enrique, et al., "Fiscal Response to the COVID-19 Crisis in Advanced and Emerging Market Economies", *Pacific Economic Review*, Vol. 26, no. 4 (2021).

Arianto, Henry, "Responsive Law and Law Enforcement in Indonesia", *Lex Jurnalica*, Vol. 7 No.2, (2010).

Asa, Agam Ibnu, Misnal Munir, Rr. Siti Murti Ningsih, "Nonet and Selznick's Responsive Law Concept in A Historical Philosophy Perspective", *Crepido Journal*, Vol. 03, No. 02, (2021).

Bishop, Rosa, John Boulter and Tom Rosewall, "Tracking Consumption during the COVID-19 Pandemic", *Bulletin Reserve Bank of Australia*, (2002).

Donnelly, Robin and Harry Anthony Patrinos, "Learning Loss during COVID-19: An Early Systematic Review", *Prospects*, Vol. 51, no. 4 (2021).

Guerrieri, Veronica, et al., "Macroeconomic Implications of COVID-19: Can Negative Supply Shocks Cause Demand Shortages?", *NBER Working Paper Series No. 26918*, (2020).

Gunawan, Anton H., and Adhi N. Saputro, "Impact of the COVID-19 Shock on Banking and Corporate Sector Vulnerabilities in Indonesia", *Bulletin of Indonesian Economic Studies*, Vol. 57, no. 2, (2021).

Kholish, Moh. Anas and Ilham Fitra Ulumuddin, "Rule of Law and Social Change: A Review of Western Law and Islamic Law", *Peradaban Journal of Law and Society*, Vol. 1, No. 1 (2022).

Kurniawan, Muhammad Beni, "Government Legal Politics in Handling the Covid-19 Pandemic Viewed from the Perspective of the Human Right to Health", *Human Rights Journal*, Vol.12, No. 1, (2021).

Nadeau, Nicolas Petrosky and Robert G. Valletta, "An Unemployment Crisis after the Onset of COVID-19", *Research from Federal Reserve Bank of San Francisco Economic Letter*, Vol. 12, (2020)

Ramadani, Rizki, Yuli Adha Hamzah, Arianty Anggraeni Mangerengi, "Indonesia's Legal Policy During Covid-19 Pandemic: Between The Right To Education And Public Health", *Journal of Indonesian Legal Studies*, Vol. 6, Issue 1, (2021).

Sukmana, Teja, Zahrah Salsabillah Ashari, Yadi Darmawan, "Responsive Law and Progressive Law: Examining the Legal Ideas of Philip Nonet, Philip Selznick, and Sadjipto Raharjo", *Peradaban Journal of Law and Society*, Vol. 1, Issue. 3 (2023).

Sulaiman, "Responsive Law: Law as a Social Institution Serving Social Needs in a Period of Transition", *Samudera Hukum Legal Journal*, Vol. 9, no. 2, (2014).

Suryahadi, Asep, Ridho Al Izzati, and Athia Yumna, "The Impact of COVID-19 and Social Protection Programs on Poverty in Indonesia". *Bulletin of Indonesian Economic Studies*, Vol. 57, no. 3, (2021)

Regulation

Law Concerning State Finances, Law 17 of 2003, LN of 2003 No. 47, TLN No. 4286.

Law concerning the Stipulation of Government Regulation Number 1 of 2020 concerning the Stipulation of Government Regulations in Lieu of Laws of the Republic of Indonesia concerning State Financial Policy and Financial System Stability in the Context of Handling the 2019 Corona Virus Disease (COVID-19) Pandemic and/or in the Context of Facing Dangerous Threats Concerning the National Economy and/or Financial System Stability Becomes Law, Law 2 of 2022, LN of 2022 No. 134, TLN No. 6516.

Law Concerning APBN 2020, Law 20 of 2020, LN of 2020 No. 134, TLN No. 6516.

Government Regulation Concerning the Implementation of the National Economic Recovery Program in the Context of Supporting State Financial Policy for Handling the 2019 Corona Virus Disease (Covid-19) Pandemic and/or Facing Threats That Endanger the National Economy and/or Financial System Stability and Saving the National Economy, PP 23 of 2020, LN of 2020 No. 131, TLN No. 6514.

Presidential Regulation Concerning Changes in Posture and Details of the State Revenue and Expenditure Budget for Fiscal Year 2020, Presidential Decree no. 54 of 2020, LN of 2020 No. 94.

Regulation of the Minister of Finance Concerning Auctions of Government Debt Securities in the Domestic Primary Market, PMK 168/PMK.08/2019, BN 2019 No. 1432.

Regulation of the Minister of Finance Concerning Auctions of State Sharia Securities in the Domestic Primary Market, PMK 195/PMK.08/2020, BN 2020 No. 1467

More from The Internet

Central Bureau of Statistics, “Gini Ratio September 2020 recorded at 0.385”, on February 15 2021, available at <https://www.archive.bps.go.id/pressrelease/2021/02/15/1852/gini-ratio-september-2020-terputar-sebesar-0-385.html>, accessed March 28, 2024.

CNBC Indonesia, “160 Thousand Lives Lost Due to Corona, the Deadliest Delta”, on March 10 2023, available on <https://www.cnbcindonesia.com/research/20230310141639-128-420655/160-ribu-nyawa-melayang-besar-corona-delta-paling-mematikan/2>, accessed March 28, 2024.

Hartarto, Airlangga, “KPC-PEN Budget Realization Reaches IDR 1,645.4 Trillion”, available on January 26 2023, available at <https://infopublik.id/detik/national-economic-bisnis/705602/index.html>, accessed on March 28, 2024.

Indrawati, Sri Mulyani, “APBN 2021: Accelerating Economic Recovery and Strengthening Reforms”, Presented in the Foreword to the 2021 APBN Information Book, which is available at <https://media.kemenkeu.go.id/getmedia/b5715b29-76d8-4357-8cd6-9ce98209c4f3/information-apbn-2021.pdf>.

International Monetary Fund, “World Economic Outlook Update, Tentative Stabilization, Sluggish Recovery?”, January 2020, available at [https://www.imf.org/en/Publications/WEO/Issues/2020/01/20/weo-update-january2020#:~:text=Tentative%20Stabilization%2C%20Sluggish%20Recovery%3F,-Full%20Text%20PDF&text=Global%20growth%20is%20projected%20to,World%20Economic%20Outlook%20\(WEO\).](https://www.imf.org/en/Publications/WEO/Issues/2020/01/20/weo-update-january2020#:~:text=Tentative%20Stabilization%2C%20Sluggish%20Recovery%3F,-Full%20Text%20PDF&text=Global%20growth%20is%20projected%20to,World%20Economic%20Outlook%20(WEO).), accessed April 5, 2024.

Ministry of Health, “Current Situation of COVID-19 Development”, as of 31 December 2023, available at <https://detikemerging.kemkes.go.id/situasi-detik-emerging/situasi-terkini-perkembangan-coronavirus-disease-covid-19-31-desember->

2020#situasi_terkini_perkembangan_coronavirus_disease_(covid-19)_31_desember_2020, accessed March 28, 2024.

Ministry of Finance, PEN Progress Report as of 24 June 2020, available at <https://pen.kemenkeu.go.id/api/Medias/737b9f28-87a3-4c52-b635-f7d4ec0b6970>, accessed March 28, 2024.

_____, “Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2021”, on January 3 2022, available at <https://pen.kemenkeu.go.id/api/Medias/58973996-0bfd-4e57-b14b-def1e90107b9>, accessed March 28, 2024.

_____, “The Influence of Covid-19 on Global Socioeconomic Conditions 2020”, available at <https://pen.kemenkeu.go.id/in/page/socialeconomicglobal>, accessed March 28, 2024.

_____, “Developments in the Implementation of the Covid-19 Handling Program and National Economic Recovery”, January 4 2021, available at <https://pen.kemenkeu.go.id/api/Medias/23a61caf-2596-4229-ad56-97a6ba733578>, accessed March 28, 2024.

_____, “Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2021”, on July 23 2021, available at <https://pen.kemenkeu.go.id/api/Medias/64667e2d-028d-4598-b014-2dfe082450f9>, accessed March 28, 2024.

_____, “Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2022”, on November 18 2022, available at <https://pen.kemenkeu.go.id/api/Medias/7bfeac91-258f-4e2e-9a11-6e2f90f8747f>, accessed March 28, 2024.

_____, “Monitoring and Evaluation Report on Handling Covid-19 and National Economic Recovery 2022”, on March 11 2022, available at <https://pen.kemenkeu.go.id/api/Medias/7ee532ad-ee74-4f06-aa44-071a480f121f>, accessed March 28, 2024.

Nazara, Suahazil, “Deputy Minister of Finance Describes the Storyline of the PEN Budget”, on January 26 2023, available at <https://www.kemenkeu.go.id/information-publik/publikasi/berita-utama/Wamenkeu-Uraikan-Jalan-Cerita-Anggaran-PEN>, accessed March 28, 2024.

Warjiyo, Perry, Governor of BI: Purchase of SBN at the Pedana Market The Last Resort and Not BLBI, on April 3 2020, available on <https://www.bareksa.com/berita/berita-Ekonomi-terkini/2020-03-03/gubernur-bi-belian-sbn-di-pasar-perdana-the-last-resort-dan-bukan-blbi>, accessed March 28, 2024.

World Health Organization, “Listings of WHO's response to COVID-19”, 29 June 2020, available at <https://www.who.int/news/item/29-06-2020-covid-timeline>, accessed March 28, 2024.

_____, “Coronavirus disease (COVID-19) Dashboard”, available at <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>, accessed April 5, 2024.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal. This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).