DISCOURSE ANALYSIS FISCAL STIMULUS POLICY DURING THE COVID-19 PANDEMIC: COMPARATIVES STUDY OF INDONESIA AND JAPAN

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ABSTRACT

Objective: This study attempts to explain the fiscal stimulus policy of Indonesia and Japan in the economic recovery due to the COVID-19 pandemic from a neo-Marxist perspective.

Theoretical Framework: Fiscal Stimulus Policy in the Health and Non-Health Sectors in Indonesia and Japan.

Method: The research was conducted with a qualitative approach. This study used secondary data, including the literature of previous research results, state budget documents, policy documents, official circulars of relevant institutions, news media articles, public opinion polls, and reports published by the IMF, OECD, and ECDC. Researchers analyzed secondary data from the IMF and OECD because they are trusted and updated organizations related to data development.

Results and Conclusion: The results showed that the proportion of fiscal stimulus policy between the two countries is different from the total economic recovery of GDP increase during 2020-2021 in Indonesia increased by 5.76% and Japan by 3.6%. Identifying the composition of fiscal stimulus policy shows that Indonesia's intervention level is categorized as Mixed towards Compulsory Instruments while Japan is at the Mixed Instruments level. The intervention level reflects the implicit Neo-Marxist perspective that tends to be higher in Indonesia's Keynesian fiscal stimulus than in Japan.

Research Implications: This study provides an overview of the relationship between theory and concrete reality in depth to provide a contribution value to the development of government intervention theory related to the terminology of the degree/level of intervention in economic recovery when the country is at the site of a global crisis.
Originality/value: The level of intervention of the Indonesian and Japanese governments reflects the explanation and answer from the Neo-Marxist perspective to the building elements of the Theory of Keynesian understanding. The answer to the description is mainly related to the aspects of the State’s role, which are not clear and thorough, and the Keynesian Understanding synthesizes the Neo-Marxist Perspective.

Keywords: Covid-19, fiscal stimulus policy, public finance administration.

ANÁLISE DO DISCURSO POLÍTICA DE ESTÍMULO FISCAL DURANTE A PANDEMIA DA COVID-19: ESTUDO COMPARATIVO DA INDONÉSIA E DO JAPÃO

RESUMO


Método: A pesquisa foi realizada com abordagem qualitativa. Este estudo utilizou dados secundários, incluindo a literatura de resultados de investigação anteriores, documentos do orçamento do Estado, documentos de política, circulares oficiais de instituições relevantes, artigos nos meios de comunicação social, sondagens de opinião pública e relatórios publicados pelo FMI, OCDE e ECDC. Pesquisadores analisaram dados secundários do FMI e da OCDE por serem organizações confiáveis e atualizadas relacionadas ao desenvolvimento de dados.

Resultados e Conclusão: Os resultados mostraram que a proporção da política de estímulo orçamental entre os dois países é diferente da recuperação econômica total do aumento do PIB durante 2020-2021 na Indonésia aumentou 5,76 % e no Japão 3,6 %. A identificação da composição da política de estímulo fiscal mostra que o nível de intervenção da Indonésia é classificada como Misto para instrumentos obrigatórios, enquanto o Japão está no nível de instrumentos mistos. O nível de intervenção reflete a perspectiva NeoMarxista implícita que tende a ser mais elevada no estímulo fiscal keynesiano da Indonésia do que no Japão.

Implicações da Pesquisa: Este estudo fornece uma visão geral da relação entre a teoria e a realidade concreta em profundidade para fornecer um valor de contribuição para o desenvolvimento da teoria de intervenção do governo relacionada à terminologia do grau/nível de intervenção na recuperação econômica quando o país está no local de uma crise global.

Originalidade/valor: O nível de intervenção dos governos indonésio e japonês reflete a explicação e resposta da perspectiva neomarxista aos elementos de construção da Teoria do entendimento keynesiano. A resposta à descrição está relacionada principalmente aos aspectos do papel do Estado, que não são claros e completos, e o Entendimento Keynesiano sintetiza a Perspectiva Neomarxista.

1 INTRODUCTION

This article aims to analyze fiscal stimulus policies in the economic recovery of COVID-19 between developed and developing countries, namely Japan and Indonesia. Public budgeting is one of the crucial aspects that can reduce financial stress and strengthen a country's economy when a financial crisis occurs (Barroy et al., 2020). The turmoil in the public sector caused by the COVID-19 pandemic poses significant challenges to the government system and public budgeting in various countries (de Jong & Ho, 2020). Different countries adopt different measures in response to external shocks from the COVID-19 pandemic, including economic and non-economic policies that might be comprehensively affected by the economy of a country's development, demographic characteristics, medical conditions, and other factors (Yao, 2021).

In the face of a global recession and an economic downturn, countercyclical policy options in the form of fiscal stimuli such as subsidies and proper allocation of funds are urgently needed compared to conservative budget policies (Kumorotomo, 2020; Wardhana et al., 2012). Ideally, the State plays a role in restoring economic stability if the budgetary policy can play a countercyclical direction (David, 2010; Mankiw, 2009; Thurmaier & Willoughby, 2014).

At this time, policymakers have formed and established a wide variety of rapid and precise fiscal stimulus policy packages and the largest in history (Belke, 2009; Belke & Gros, 2009; O. Blanchard, 2009; Caballero, 2009; Cimadomo, 2011; Raudla & Kattel, 2013). However, there is a difference in the proportion of fiscal stimulus policy packages to the percentage of GDP (Benmelech & Tzur-Ilan, 2020), categorized into two sectors, namely budgetary stimulus in the health sector and fiscal stimulus in the non-health sector. The grouping of these fields is because public spending is focused on the health sector to handle patients with positive cases of COVID-19, which aims to minimize the total number of subjects who die. However, along with the development of the COVID-19 pandemic, the health crisis turned into a financial crisis due to the impact on various government sectors (IMF, 2020; Ramelli & Wagner, 2020). Therefore, we can see that the middle portion of the fiscal stimulus budget in developed countries is more significant than that of developing countries (IMF, 2020), not directly proportional to the GDP growth rate of countries. For example, Japan, which issued a fiscal stimulus budget of 44.8% of GDP, experienced a GDP growth rate of 1.4%, which is lower than Indonesia's GDP growth of 3.51%, with fiscal stimulus budget expenditures of 5.40% of GDP.
The budget response of countries in the world by implementing Keynesian fiscal stimulus is likely to provide a sizeable fiscal multiplier to reverse the costs incurred and become the most crucial driver for economic recovery. Fiscal stimulus, one of the tangible forms of government intervention at the moment, is interesting to analyze, especially from a neo-Marxist perspective characterized by theories related to state intervention. Neo-Marxists took part in the new regionalism debate, the rescaling of states and relational territories on the grounds for serious analysis and examination of the institutional space and, in particular, the role of the State in it and the relationship between geographical scales in a globalized world (MacLeod, 2001). The State must begin to reduce interventions carried out through fiscal stimulus in the face of the impact of the Covid-19 Pandemic because the implementation of fiscal stimulus is carried out in the short term (Seidman, 2012) and has a lost effect when carried out continuously in a long time (Friendman, 2002). Thus the degree of state intervention is flexible and adapts to the conditions of the State since the inclusion of the government through fiscal stimulus will have a much better and greater fiscal multiplier if done appropriately (O. Blanchard et al., 2016).

This article seeks to answer the question: How does state intervention through fiscal stimulus affect the economic recovery in The State of Indonesia and the State of Japan from a Neo-Marxist perspective? This article will answer this question by discussing state intervention through the fiscal stimulus of the health and non-health sectors in economic recovery from a neo-Marxist perspective. Furthermore, to identify the level of state intervention, this study uses categorization in the policy spectrum, including voluntary instruments (low), mixed instruments (medium), and compulsory instruments (high).

2 THEORETICAL FRAMEWORK

Fiscal stimulus theory refers to government efforts to stimulate the economy through spending and tax policies. The main goal of fiscal stimulus is to overcome economic imbalances, such as recessions or slowing economic growth (Stone, 2020). The following are some of the main aspects of fiscal stimulus theory:

The government increases its spending in various forms, such as infrastructure development, or social programs (de Noronha et al., 2023). This can provide a direct boost to economic activity. Apart from increasing spending, fiscal stimulus can also be done by
reducing taxes (Mohamed & Abdulle, 2023). These policies can stimulate private consumption and investment by providing incentives to individuals and companies to spend and invest more of their money (CEPAL, 2023).

The fiscal stimulus theory is based on the idea of the multiplier effect, which states that every dollar spent by the government can create more dollars in the overall economy (Juarros et al., 2023). This happens because money issued by the government circulates in the economy, driving various sectors and creating additional income.

Fiscal stimulus aims to stimulate positive economic growth. When the economy grows, jobs are created, incomes increase, and the unemployment rate decreases. Fiscal stimulus is often used in response to an economic recession or slowing growth (Stone, 2020). The government took stimulus measures to prevent or overcome a prolonged decline in economic activity. Although fiscal stimulus can help overcome economic problems, excessive or uncontrolled use of fiscal stimulus can lead to inflation. A sudden increase in aggregate demand can cause an increase in the prices of goods and services (Cevik, 2023).

Implementation of fiscal stimulus must consider long-term efficiency and sustainability. This includes considerations about the sources of funds for the stimulus, the long-term fiscal impact, and the effect on government debt (Indrawati, 2022). Fiscal stimulus is often part of the economic policy tools used by governments to achieve economic stability and sustainable growth. However, the success of fiscal stimulus depends on many factors, including the right policy design, the right timing of implementation, and existing economic conditions.

The Indonesian State has established various fiscal stimulus policy packages to deal with the decline in economic growth (Anwar, 2014). Data from the IMF noted that in 2020 Indonesia's GDP growth decreased by 4.5% compared to 2019 (IMF, 2020). When the COVID-19 virus hit Indonesia, one of the government's policies was Large-Scale Social Restrictions (PSBB) stipulated by the Minister of Health Regulation Number 9 of 2020 (Putsanra & DH, 2020). This policy resulted in layoffs for some workers, which increased the unemployment rate and people had difficulty finding work. The pandemic in Indonesia also increased the number of poor people in Indonesia (Sumarni, 2020).

The primary balance of the Indonesian state budget until September 2021 is still decreasing to a negative figure of 198.3 trillion. Although this figure is improving due to the implementation of fiscal stimulus package policies compared to September 2020,
which was negative at IDR 446.5 trillion, it is more significant than August 2021, which was negative at IDR 170 trillion (Hidayat & Masitoh, 2021).

Indonesia's fiscal stimulus budget focuses on health, social safety net, and improving the community's economy and the business world. The budget disbursement is in several stages, namely the stimulus volume I of RP 10.4 trillion or 0.06% of GDP, launched in February 2020. This stimulus aims to strengthen the domestic economy given to the affected industrial sectors.

Stimulus volume II amounted to Rp 22.9 trillion or around 0.19% of GDP in March 2020 (Bank Indonesia, 2020). This fund focuses on supporting people's purchasing power and encouraging ease of export-import through fiscal and non-fiscal stimuli and financial sector policies. Third, a stimulus of IDR 405.1 trillion in March 2020. This stimulus focuses on public health, social protection, and economic system stability. The total fiscal stimulus budget issued by the Indonesian State in 2020 is around 3.8% of the GDP.

The third stimulus in 2021 with the accumulation of funds to IDR 695.2 trillion, equivalent to 4.2% of Gross Domestic Product (GDP) (IMF, 2020) to health programs, social safety nets, support for micro, small and medium enterprises (MSMEs), the business world and economic recovery, and financial sector policies (CNN Indonesia, n.d.) The detailed classification of Indonesia's fiscal stimulus funds in public expenditure/spending policy instruments is known as the National Economic Recovery Program (PEN).

Japan has the largest public expenditure on GDP in the face of economic recession during the COVID-19 pandemic in the East Asian region. In the context of decreasing the spread of the coronavirus, the medium-term forecast suggests that the State of Japan will maintain a positive economic growth rate while supporting green and digital technology investments, including support through economic policy measures. However, large fiscal expenditures will contribute to the further growth of the Japanese State's public debt, thereby reducing the level of national savings and restraining the dynamics of the economic growth of the Japanese State (Izotov, 2021). Employment opportunities in tourism and other industries are reduced by about a million, mainly affecting part-time and temporary workers.

At the same time, the overall unemployment rate will barely exceed one-third of the average of general OECD countries due to sufficient financial support, long-term
commitments among core employees in Japan, and the job retention practices of domestic companies. On the other hand, the package of anti-crisis measures in Japan turned out to be one of the largest in the world, and its implementation could increase the budget deficit and public debt (Belov, 2021).

The country adopted an Emergency Economic Package Against COVID-19 of 117.1 trillion, about 20.9% of GDP, On April 20, 2020. This number doubled to reach 234.2 trillion on May 26, 2020. In the next phase, on December 8, 2020, the government issued a package worth 73.6 trillion, which is around 13.1% of GDP (IMF, 2020).

Japan's public spending policy instruments include health, employment, and business, the development of a solid economic structure, future readiness, household support, transfers to local governments, and the allocation of COVID-19 reserve funds.

3 METHODOLOGY

This study used a comparative qualitative research method. From a public administration perspective, the IMF categorizes fiscal stimulus into fiscal stimulus in the health and non-health sectors (Chen et al., 2021; de Jong & Ho, 2020; IMF, 2020; OECD, 2020). Furthermore, the Keynesian multiplier effect becomes a sizeable fiscal multiplier shaping the economic recovery from the aspect of the percentage of economic growth from a neo-Marxist perspective. So that in the end, this research can explain the degree of state intervention as a Neo-Marxist understanding which will be seen from the Spectrum of Policy Instruments (Howlett, 1995), namely with low (Voluntary Instruments), medium (Mixed Instruments), and high (Compulsory Instruments) categories.

This study used secondary data, including the literature of previous research results, state budget documents, policy documents, official circulars of relevant institutions, news media articles, public opinion polls, and reports published by the IMF, OECD, and ECDC. Researchers analyzed secondary data from the IMF and OECD because they are trusted and updated organizations related to data development. Many previous studies related to fiscal and economic policy use data from these institutions such as research (Ashfaq & Bashir, 2020; Chen et al., 2021; Cimadomo, 2011; de Jong & Ho, 2020; Ejiogu et al., 2020; Fernández-Arias & Montiel, 2011; Freedman et al., 2010; Heald & Hodges, 2020; Jones & Keen, 2011; Pirie, 2012; Seiwald & Polzer, 2020; Setiawan, 2018; Siddik, 2020; Wagschal & Jäkel, 2010).
Researchers collected data with an analysis period from December 2019 to December 2021 in Indonesia and Japan. Considering that Japan's GDP growth rate is the lowest GDP growth rate compared to countries in the Developed Countries group, and so is the Indonesian State which has a low GDP growth among developing countries in the G20 countries.

Furthermore, data analysis techniques used Discourse Analysis in this study's qualitative content analysis approach. Several previous researchers have used this analysis, namely Teun van Dijk, a study of power and domination produced to maintain social injustice and inequality (Van Dijk, 2016) and Berman's study of street children in Yogyakarta, Indonesia (Berman, 2016) as well as a study on policy conducted by (Gottweis, 2002). The selection of discourse analysis is an analytical knife because this technique is case-based (Howarth et al., 2000). Methodologically, this approach developed from neo-Marxist thought (Jackson & Sørensen, 2013). Therefore, it is in line with the perspective used in this study.

4 RESULTS AND DISCUSSION
4.1 FISCAL STIMULUS IN INDONESIA

4.1.1 Fiscal Stimulus in the Health Sector

The fiscal stimulus budget issued by the Indonesian State is 169.7 in 2021 and then in the posture of 2022 State Budget with a budget of 256 trillion. The stimulus budget for:

a. Acceleration of health recovery due to COVID-19, which will continue in 2022
b. Reform of the National Health Insurance (JKN) with an increase in the effectiveness and integration into the JKN program
c. Health Security Preparedness
d. Strengthening national health system reforms

The realization of a budget of Rp. 1.92 trillion from the 2020 State Budget aims to assist with national health insurance contributions. In addition, the budget realization for claims for medical expenses, medical devices, patient medicines, and laboratory services was IDR 20.56 trillion, and for health workers in the ICU, IDR 2.28 trillion.

Furthermore, the priority target for the health sector in 2021 is to handle COVID-19 and support strengthening the national health system. Therefore, the budget allocation of IDR 18.0 trillion focuses on anticipating the procurement of the COVID-19 vaccine
and IDR 3.7 trillion for the implementation of immunization for 160 million people (Bank Indonesia, 2021; Purba, 2020).

4.1.2 Fiscal Stimulus for the Non-Health Sector

The realization of Indonesia's fiscal stimulus budget in 2020 is IDR 2.2 trillion for People's Business Credit (KUR) and IDR 2.9 trillion for non-People's Business Credit subsidies. In addition, the MSME Direct Cash Assistance (BLT) distribution amounted to Rp. 22.1 trillion, and the realization of the Wage Subsidy Assistance budget reached Rp. 14.88 trillion (Bank of Indonesia, 2020). Furthermore, the Education Sector was allocated 550 trillion in 2021 and added a budget of 542.8 trillion in the 2022 budget posture. The budget is for the improvement and strengthening of ECCE and the improvement of teacher competence and professionalism.

The budget allocation for the social protection sector is 408.7 trillion in 2021 and 429.9 trillion in 2022. This budget focuses on the gradual continuation of social protection reforms. Meanwhile, the budget allocation for the infrastructure sector reached 417.8, which aims to provide essential services, increase connectivity, support economic recovery, and continue spending priority programs. Meanwhile, the fiscal stimulus budget of IDR 99 trillion for food security, tourism, and information technology is IDR 15 trillion each (Bank Indonesia, 2021; Bank of Indonesia, 2020).

4.2 FISCAL STIMULUS IN JAPAN

4.2.1 Fiscal Stimulus in the Health Sector

The Japanese government issued a health sector fiscal stimulus budget in April 2020 with a total of 2.5 trillion yen focused on measures to prevent the spread of infections by building medical care structures and developing medicines (Cabinet Office, 2020; 内閣府, 2020). Such actions include:

1. Medical care systems & supporting medical institutions,
2. Improving testing systems, and developing vaccine distribution systems, including accelerating the development of therapeutic drugs and vaccines, financial assistance to conduct PCR tests and antigen detectors, as well as supporting the production of test kits,
3. Containment measures based on data and technology with an increase of 1.5 trillion yen in "Local Revitalization Grants for Novel Coronavirus Diseases."

4. International cooperation to combat COVID-19 through collaboration with international organizations to achieve equitable access to vaccines and drug circulation at reasonable prices among developing countries (閣議決定, 2020).

In December 2020, the fiscal stimulus budget increased to 5.9 trillion yen (Cabinet Office, 2020). Furthermore, in 2021 it increased the funding by 22.1 trillion yen for further preventive measures against the spread of COVID-19 by ensuring a system of providing medical care and promoting vaccinations, increasing testing and securing therapeutic drugs as well as implementing infection prevention measures across the board in support of actions taken by the prefecture through local revitalization grants, steps taken by kindergartens, facilities daycare, and schooling, etc. (Cabinet Office, 2021).

4.2.2 Fiscal Stimulus for the Non-Health Sector

The non-health sector fiscal stimulus measures that the Government of Japan issued in 2020 include 30.8 trillion yen to protect jobs and maintain the business's continuity. The budget allocation of 3.3 trillion aims to recover economic activities as a follow-up activity of cooperation between the public and private. Furthermore, the budget allocation of 10.2 trillion yen focuses on making the economic structure resilient, and a budget of 1.5 trillion yen prepares for the future by forming a new emergency fund (Cabinet Office, 2020; 内閣府, 2020).

Furthermore, in 2021, Japan will continue several measures for socio-economic activities to prepare for and anticipate the next crisis. The budget allocation for this policy is 9.2 trillion yen, focusing on socio-economic activities with security and safety guarantees and further strengthening the infectious disease emergency response. In addition, a further budget allocation of 19.8 trillion yen focuses on a growth strategy to realize a knowledge and technology nation, setting up a "Digital Garden City Nation" vision to revitalize the region and connect it with the world as a measure of economic resilience. Furthermore, the Government of Japan provided a fiscal stimulus of 4.6 trillion yen for the distribution strategy by providing support to strengthen distribution in the private sector and the distribution function in the public sector. Furthermore, Japan is preparing measures to ensure safety and security through disaster promotion of risk.
reduction and increased national resilience so that the total fiscal stimulus budget for the non-health sector that Japan issued in 2021 is 55.7 trillion yen (Cabinet Office, 2021).

4.2.3 Categorization of Fiscal Stimulus Policy Instruments from a Neo-Marxist Perspective

There are two main reasons the government needs to intervene in the market: to support efficiency and equity (Mankiw, 2009). Based on existing practice, in general, government intervention can be classified into two groups, namely:

1) Sometimes the State is sufficient as a regulator and supervisor,
2) Sometimes the State must act as a provider and manager. Especially for providers and managers, there are two functions, namely:
   a) providers of public services and goods,
   b) providers of community needs that the market cannot meet

Furthermore, the table below shows the representation of policy instruments (Howlett, 1995) with fiscal stimulus interventions by Indonesia and Japan.

<table>
<thead>
<tr>
<th>State Intervention Level</th>
<th>Low (Voluntary Instruments)</th>
<th>Medium (Mixed Instruments)</th>
<th>High (Compulsory Instruments)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family and Community</td>
<td>Information and Jargonization</td>
<td>Subsidies</td>
<td>Regulation</td>
</tr>
<tr>
<td>Voluntary Organizations</td>
<td>Auction of Proprietary Rights</td>
<td>Taxes and Levies</td>
<td>State Enterprises</td>
</tr>
<tr>
<td>Private Markets</td>
<td></td>
<td></td>
<td>Direct Procurement</td>
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<td>Japanese</td>
<td></td>
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</tr>
<tr>
<td>b. Family support with children amidst school closures</td>
<td>b. Subsidies protect jobs and maintain business continuity 30.8 trillion yen</td>
<td>b. Regulatory reforms to achieve economic recovery to pre-pandemic levels in 2021</td>
<td></td>
</tr>
<tr>
<td>c. Supporting cultural, artistic, and sports activities online</td>
<td>c. Subsidy for the recovery of economic activities through public and private cooperation 3.3 trillion yen</td>
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<tr>
<td>Japanese</td>
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</tr>
</tbody>
</table>
Indonesian
a. Customary organizations, ulama, and religious leaders play an active role in reminding government programs

<table>
<thead>
<tr>
<th>Subsidies/assistance contributions (health sector)</th>
<th>Education subsidy</th>
<th>Social protection subsidies</th>
<th>Infrastructure Subsidy</th>
<th>Food Security Subsidy</th>
<th>Tourism Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>169.7 trillion</td>
<td>550 trillion</td>
<td>408.7 trillion</td>
<td>417.8 trillion</td>
<td>99 trillion</td>
<td>15 trillion</td>
</tr>
</tbody>
</table>

Source: (Howlett, 1995) processed by researchers

The table above explains that the pattern of intervention levels in Indonesia and Japan is, on average, at a moderate level (Mixed Instruments). The difference is evident in the Japanese, which not only implements an intermediate level of intervention but also provides some policies related to families and voluntary organizations in the community, which is a low level of intervention. However, if you look at it from the Aspect of High (Compulsory Instruments), Indonesia and Japan are applying several new regulations in dealing with the COVID-19 pandemic.

Budgeting is a mechanism attached to the political process (Gedeona, 2005). As such, it requires responsible policymakers related to the budget to change the point of view on the financial situation in times of emergency and to determine the best fiscal response in the face of these conditions (Argento et al., 2020). Furthermore, economic policies must adapt to a country's national context (Cowper, 2020). The government can implement other approaches through budget policies, such as social policies, economic impact control policies, and health policies (Sanjaya, 2020).

The expansive fiscal policy continues, as reflected in Indonesia's 2021 state budget deficit of Rp1,006.4 (5.7% of GDP), after a shortage of Rp1,039.2 trillion (6.3% of GDP) in 2020. The 2021 state budget policy is focused on spending to support the acceleration of recovery in the short term and economic transformation.

Total state expenditure of IDR 2,750.0 trillion will be allocated to IDR 1,686.2 trillion (86.3%) for strategic policies to support the acceleration of economic recovery and transformation. The focus of spending is on education, health, social protection, infrastructure, food security, tourism, and information technology. The sustainability of the stimulus is also maintained, as reflected in the National Economic Recovery Program (PEN) budget, which reached IDR 356.4 trillion (Bank Indonesia, 2021).

Furthermore, the GDP growth that occurred reflects the impact of fiscal stimulus on Indonesia's economic recovery. In 2019, Indonesia's GDP grew by 5.02%. However,
in 2020, the COVID-19 pandemic decreased GDP by -2.07% (Bank of Indonesia, 2020). The Indonesian government has subsequently implemented various fiscal stimuli to stimulate economic recovery. So in 2021, Indonesia's GDP growth increased at 3.69%, with a total increase in GDP during 2020-2021 being 5.76%. Meanwhile, the impact of economic actions and policies of Japan's fiscal stimulus in 2019 raised about 1.1% of GDP.

The Japanese government issued comprehensive economic policies and activities in 2020 to achieve a strong recovery, maintain jobs, and resume business, raising about 0.5% of GDP (Cabinet Office, 2020; 内閣府, 2020). Furthermore, in 2021 with a total additional budget of 55.7 trillion yen with a project scale of 78.9 trillion yen with an estimated increase in GDP of 2.5%, and after 2022 it is estimated that GDP will increase by about 0.6%. Therefore, the total GDP increase from 2020 to 2021 was 3.6% (Cabinet Office, 2021).

The effect of spending from this fiscal stimulus directly supports and increases real GDP. Furthermore, implementing effective economic measures is expected to have a further ripple effect on a good cycle of growth and distribution by giving rise to positive movements by individual citizens, financial organizations, and local public organizations. To maximize the effects of such overflow, the Government of Japan seeks dialogue and communication with all walks of life and closer cooperation with regional economic organizations and public organizations at the stage of implementing the action (Cabinet Office, 2021; 閣議決定, 2021).

The researcher concludes that Japan is at a moderate average intervention level from the current fiscal and policy stimulus. It can be seen from Japan devising new economic measures with a sizeable budgetary size, using all policy tools, including fiscal standards, taxes, and regulations, in an unprecedented way that became known as the "New Form of Capitalism" program. Meanwhile, Indonesia is a country that is no longer unfamiliar with policies related to assistance and subsidies, so Indonesia's fiscal stimulus and policies issued have a moderate to high level of intervention. The Indonesian government responded to the shock through action by providing several policies, preparing health protocols, and implementing policies or programs (Yusuf et al., 2021).

The level of intervention of the Indonesian and Japanese governments reflects the explanation and answer from the Neo-Marxist perspective to the building elements of the Theory of Keynesian understanding. The answer to the description is mainly related to
the aspects of the State's role, which are not clear and thorough, and the Keynesian Understanding synthesizes the Neo-Marxist Perspective. In the range of 2020 to 2021, the GDP increased in each country, with a moderate average level of intervention for Japan and heading high for Indonesia. Therefore, the researcher concludes that the level of intervention of each government is still in the category of suitable applied when conditions are in crisis until conditions go to normal.

The researcher hopes that the results of this study can add to the terminology of a reasonable degree of government intervention in intervention theory.

5 CONCLUSION

Various policies that the State of Indonesia has issued and the State of Japan with the fiscal stimulus budget are likely to provide a significant economic recovery. During a severe recession, public finances play a central role in stabilizing and stimulating the economic environment. Therefore, financial policy adjustments based on using some intervention instruments, such as the national budget or fiscal stimulus packages, aim to minimize the negative impact of the global economic crisis. The Keynesian theory explains that state intervention in the economy is needed to create financial stability in the long term by influencing aggregate demand that will direct the macroeconomic situation closer to the position of full employment, thereby achieving a significant economic recovery (Alexandra et al., 2010).

The researcher compared Indonesia and Japan to categorize government intervention in the two countries. The return of Keynesian logic as one of the central economic paradigms in the face of the global financial crisis suggests that the social-democratic welfare state will most actively respond to economic and financial problems. However, empirical facts oppose this thesis and support the substitution effect of high government quotas and large social expenditures, such as the Liberal System State. One is that Japan is the country that is most active in responding to economic and financial crises by issuing the most significant fiscal stimulus budget from the GDP of Indonesia and other G20 countries.

Thus, the Neo-Marxist perspective acts as a tool in developing intervention theory, especially regarding the limited role of government (Keynesian) qualitatively. The results conclude that the Indonesian state intervention is moderate to high, and the Japanese state intervention level is at a medium average. It directly or indirectly describes the degree of
Neo-Marxist understanding implied in the fiscal stimulus policies implemented in Indonesia and Japan.
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