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The New Strategy to Improve Indonesia's National Economic Growth

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Abstract

Post-order new economic growth has decreased. The source of the decline in economic growth is that state revenues in the oil and gas sector have decreased. Indonesia needs more consistent high economic growth to accelerate Indonesia's leap to become a high-income country. In this situation Thus, there are several challenges so that Indonesia can achieve growth targets and, at the same time maintain growth The challenges that must be faced in the form of quality sources of Power are human beings who still have valued investment in resources Power life and wealth intellectuals who are still low, plus with Posture exports that have not been worth economy high. With this, an appropriate policy strategy is needed for the three things above to become locomotives of future economic growth. Although Indonesia needs high economic growth, several boundaries must be adhered to, namely, the nature of economic growth must be inclusive, so as not to widen the gap in social inequality. A growth economy must be supported by a diversity of rich life and, at the same time intended to guard sustainability naturally as a source of main Continuity of Development and Justice between generations.

Keywords: *Strategy, Economic Growth, Export Import.*

Introduction

At the beginning Of 2019, the National Development Planning Agency (Bappenas) announced the National Long-Term Development Plan (RPJPN). This RPJPN is entitled Vision of Indonesia 2045 Sovereign, Just and Prosperous. This vision We know with the term Golden Indonesia Vision 2045. Milestones important from the Vision of Golden Indonesia aiming lead Indonesia to become a high-income country height. Measuring line as a country with income high 2045 among others; the per capita income of the Indonesian people has reached 23,199 United States Dollars (US$), Product Gross Domestic Product (GDP) ranked 5th in the world, contribution investment to GDP reaching 38.1 percent, and in the sector industry by 26 percent of GDP, and supported with growth sector agriculture reached 7 percent.

Reach vision This requires the main supporting conditions, including moderate economic growth of 5.4 percent, the Gross Participation Rate (APK) of higher education must reach 60 percent, the workforce of graduates of Senior High Schools (SMA) and Universities (PT) must reach 90 percent, spending on research and development must be at least 1.5 - 2 percent of GDP, and there must be *triple helix collaboration* between higher education, the private sector and the government institutionalized in every downstream and commercialization process. Results study.

Of the many of the above conditions, the issue of growth economy is one of the important capitals for Indonesia to realize its long-term vision. Because it is an important capital for achieving Indonesia's Vision 2045, researchers look at the importance of dissecting achievement growth economy We during this. We need to re-examine whether economic growth, at least before and after the COVID-19 pandemic, has been following the steps to achieve the vision, or conversely, the economic growth capital that we have found so far is heading towards a tipping point.

Observing number growth economy period 2018 to 2023, economic growth figures national average only 3.69 percent. The COVID-19 pandemic is the biggest source of correction to the national economic growth rate. At the beginning of March 2020, President Joko Widodo announced that Indonesia was preparing to face the COVID-19 pandemic, economic growth in the first quarter of 2020 immediately dropped drastically to only 2.9 percent (years on years/ yoy), whereas in the first quarter previously Still grew 4.96 percent.

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In general in a row, from the second quarter of 2020 until Q1 2021, the growth economy national Keep going contracted, as reflected in the data *series* (yoy) from BPS below;

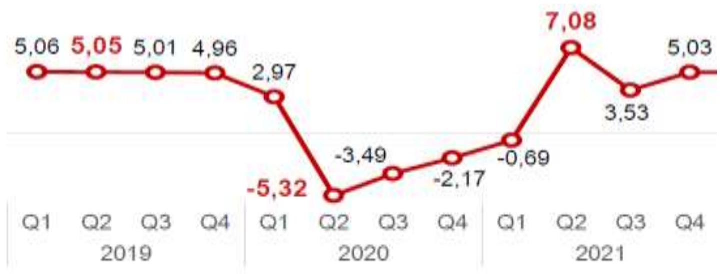

Figure 1. National Economic Growth 2020-2021

If we compare with the Golden Indonesia Vision 2045 scenario, with an average growth economy in numbers moderate 5.4 percent, we can be sure that our economic growth capital in the 2018-2023 period is not sufficient, because it is still at an average of 3.69 percent. It seems that the pandemic has become the biggest source of correction for national economic growth in the last five years.

Even if We track growth data economy more to behind again. BPS data for the period 2000-2018 shows that national economic growth averaged 5.3 percent. This figure is still lower when compared to the average economic growth in 1980-1997 which reached 7.0 percent.

The ups and downs of our economic growth have been greatly influenced by the ups and downs of commodity prices and domestic manufacturing conditions. CEIC data (in Bappenas. 2018) below provides an overview of the ups and downs of national economic growth. At least until before the covid19 pandemic;

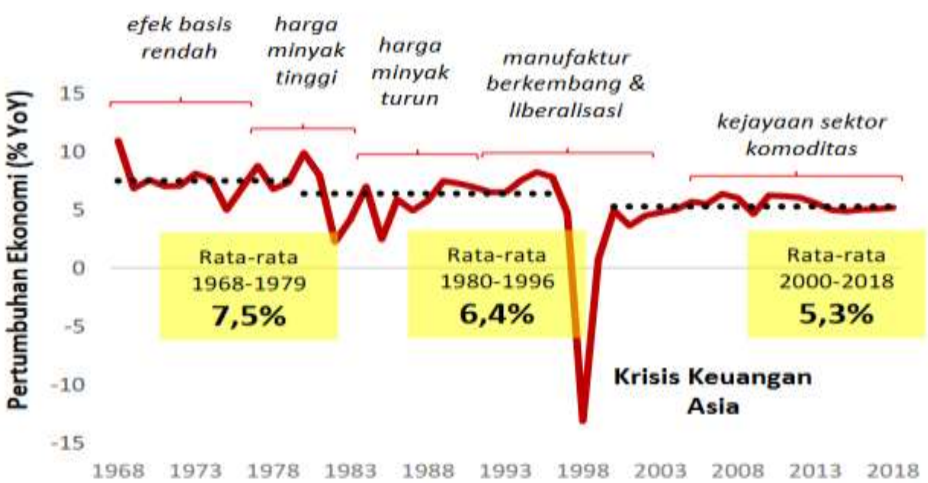

Figure 2. Economic Growth against the price of oil Earth and manufacturing

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During the 1970s to the late 1990s, the national economic growth rate was greatly influenced by the rise and fall of oil prices. This happened because Indonesia was then one of the oil-exporting countries. In the early 1990s, Indonesia began to develop the manufacturing industry and contributed to national economic growth.

Sadly, industry manufacturing That no long-lasting, crisis economy at the end of 1997-1998 rolled industry manufacturing national. The industrial sector experienced a decline, after which national economic growth was again supported by commodity production, such as coal, palm oil, and residual petroleum from old wells, a legacy of the 1980s. Effects change the price commodity feel until the moment. Every change in the price of Global commodities has high sensitivity which influences the growth economy. Maybe just factor cyclical has an influence, especially the influence of *up and down situations* global economy. But is this cyclical factor the dominant variable that influences the level of growth economy?

National Development Planning Agency suspects slowdown the economic growth that we are experiencing, especially since the monetary crisis in 1998 until now is not just a cyclical factor. The correction of national economic growth over a long period in Bappenas' analysis is more caused by various factor structural. Thus, the main attention should be directed at fixing various structural obstacles.

Several problems structural diagnosed by Bappenas concerning problems that slow down the growth Indonesian economy, among others; (1) low social returns due to low human resources, poor infrastructure, and geographical conditions, (2) poor business environment due to overlapping regulations, corrupt institutions, fiscal and monetary instability, and poor innovation, (3) poor domestic finances, and access to to finance international limited.

The diagnosis presented by Bappenas above is not something new, the problem of low human resources has been bridged with education spending of 20 percent of state spending, the problem of low innovation has been bridged with the link and match program, *and* various other programs, policy deregulation packages have also been implemented, even since the New Order era.

However, business it's above like no scars, sporadic and intermittent change policies, as well as no implications real long term. Every government change walks with its respective focus, and then in his journey We return entangled with various problem structural. Situation This makes the economy national like *de javu* and becomes an agenda that goes round and round endlessly.

With the background behind the above, the author through this writing wants to answer questions, (1) whether to challenge the growth economy forward, and (2) whether transformation strategy policy is appropriate to increase Indonesia's sustainable economic growth in the future.

Materials and Methods

Treasures thinking theoretical about economic growth has become an interesting paradigmatic debate, especially among economic scientists. There are at least two major schools of thought in the theory of economic growth. The 18th-century economic thinkers, who gave birth to the classical economic school, have given birth to the theory of *growth model*. Thinkers' theory economy Classical figures such as Adam Smith, David Ricardo, John Stuart Mill, and Robert Malthus believed in the miracle of the laws of market economy. They believed that the market economy system (*laissez-faire*) could create a new balance of the laws of supply and demand. With the increasing level of supply and demand from the market mechanism, it will absorb labor. Thus, there is no need for intervention government too in on matters.

Economic theory classic This experience correct moment happened *The Great Depression* of 1930 in the United States. The classical economic assumption that the market will create perfection without government intervention is automatically invalidated. *The Great Depression occurred* because of the simultaneous stock sell-off in the United States, which encouraged the government to take part for look after further in efforts to push level demand. The imagined market mechanism Can reach perfection and fall with itself.

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Incident *The Great Depression* gave birth to a sect new of economic theory, known as Neoclassical Economic Theory. An important thinker of Neoclassical Economic Theory is John Maynard Keynes. From the events of recession Growing up in the United States, Keynes built a theory of its economy based on the assumption that, first; the market in the modern economic order can be trapped in an underemployment equilibrium. This underemployment shows the balance of aggregate supply and demand for labor whose production is far below the potential labor force, and some others do not get jobs. Second; monetary and fiscal policy, the government can stimulate the economy and help maintain production and employment as high as possible. Concretely, if the government increases shopping so aggregate requests will also increase.

A little different from Keynes, however, his thoughts Do go out from the Keynesian path, namely Roy Harrod (1939) and Evsey Domar (1946, 1947). They see There is The weakness of Keynes's view is the potential for instability in the economic growth process in the long term, because the economy develops dynamically which results in income instability with full employment opportunities.

For guard point This equilibrium is where Harrod and Domar see the investment factor as an important factor for economic growth. To increase investment, savings are needed from the community. With a high level of investment, the level of income of the community will increase, the impact of which is that the level of demand will increase. With the level of demand increasing, it will encourage greater production capacity, thereby increasing the level of supply. For economic growth to take place in the long term, all variables such as output, savings, investment, and development technology must grow in a way exponentially.

In its development theory growth neo-classical economics is not free from criticism. Several thinkers cast several corrections, such as Sen (1981) that the development process that is based on growth in reality causes a gap in income and wealth that is increasingly widening between the groups that control economic resources and the weak population. Thus, development must increase the people's capabilities to access source economy.

Welfare-maximizing equilibrium approach. They see the penetration of multinational companies in the economies of developing countries turning into dominance, and exploiting economies of scale in international markets to maximize corporate profits. Company That itself. Kaldor (1983), and Livingstone (1987) also criticized the investment argument as a driver of economic growth which is believed by Keynesian adherents. In practice, investment finances the production of luxury goods above a reasonable proportion. (rentier *consumption)*. This situation hurts the availability of capital goods for production purposes and capital accumulation for improvement economy all - round *economic progress*.

In the 1990s, when the financial sector in various countries grew strongly and became an important variant of economic growth, economic theories were also born. In studies conducted by Stokes (1989), Greenwood & Jovanovic (1990), Bencivenga & Smith (1991), Roubini & Sala-i-Martin (1991), Saint-Paul (1992), and King & Levine (1993a) which analyzed the *real money balance variable* with economic growth. The result, with varying degrees of intermediation, the role of financial institution intermediation succeeded in forming *savings* that influenced economic growth.

With the presence of various international donor agencies, and increasingly strengthening bilateral cooperation between countries, especially after the Cold War, many countries began to rely on their development from international and bilateral financing. Indonesia itself since the old order until now has benefited from international and bilateral financing schemes in implementing development.

As progress continues, portion financing in structured shopping governments in many countries, especially in developing countries develops more and more. This is a coping strategy for the *saving* gap due to low people's income. In addition, international financing by several countries is needed to overcome *the foreign exchange gap*. In fulfilling the need for foreign exchange, and for fulfillment payment import to drive domestic industry.

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The research results of Chatterjee and Turnovsky (2006) show that there is a connection or No help overseas on the growth economy, and the level of welfare depends on the characteristics of the structure recipient country's economic help. However, another study conducted by Gounder (2001) in Fiji with the method *Autoregressive Distributed Lag* (ARDL) shows help overseas impact positive to growth economy. Interestingly, it was also found that Fiji's domestic resources do not give contribute significantly to the growth economy.

To increase economic growth, governments in many countries also adopt budget deficit policies, including Indonesia. Economists have also conducted a lot of research looking at the relationship between government spending and economic growth. Kweka and Morrissey (1998) in their writing summarized the impact of government spending on economic growth, in several countries the impact different different. Kweka and Morrissey summarized 21 previous studies, which looked at the impact of *government spending* on national economic growth. For example, they cited the study by Grier and Tullock (1989) with a sample of 113 country panels in the period 1951-1980, the results of Government Consumption (GC) were *significantly negative but positive for the Asian sub-sample.* Romer's study (1990) on the Cross-section of 112 countries, the results of spending GC, Government Investment (GI), and human capital had an impact on GC. International cooperation through trading Exports and imports on a large scale is also seen by economic scientists as an important factor contributing to economic growth. Balassa's research (1978) which used the method *of Ordinary Least Squares* (OLS) on *cross-section data* between countries, states that exports have a positive relationship with the growth economy.

Export as mover Economic growth is also explained in the research of Sharma and Panagiotidis (2003). This research uses a fairly long period from 1971 to 2001. The results show exports can influence the growth economy when done with efficient management, and techniques increased production will have affect positive net although causes costs in the sector.

Thus, as it is with Salvator's research (1990) shows that exports can be a driving force for economic growth. In his research, in the case of developing countries, exports are the main factor. For the growth country's economy, the level of progress of each country is partly due to the culture or values believed in by its people. Culture or mark from the public considered by researchers influential to economic growth. Several researchers found a positive relationship between cultural capital and education for economic growth. Research conducted by Bucci, Sacco, and Segre (2014) looked at the relationship between arts*,* culture, *and* education *with* economic growth using the *New Growth Theory approach*.

The results of his research show that cultural investment *has* a positive impact on economic growth and income. Even the impact of cultural investment will be greater if the *Total Factor Productivity* (TFP) value increases. GDP will increase further when in condition *human capital-intensive economy*.

Economic thinkers realize that the world is increasingly complex, and technological disruption and changes in nature are increasingly dynamic. The system politics and society are also increasingly complex, and national borders are increasingly *borderless*. Some studies above also explain Lots of factors and non-economic factors contribute to economic growth. Because, in essence, all fields discipline each other link each other, and provide influence with different degrees. That's why economists for example, Kibritcioglu and Dibooglu (2001) see the economic growth agenda as not approached through policy economy solely, so they develop an approach interdisciplinary in see growth economy, and factors interrelated factors hook each other that must consider decision makers' policies and market players.

Kibritcioglu and Dibooglu (2001) developed an interdisciplinary study looking at economic growth as seen in the table relations below;

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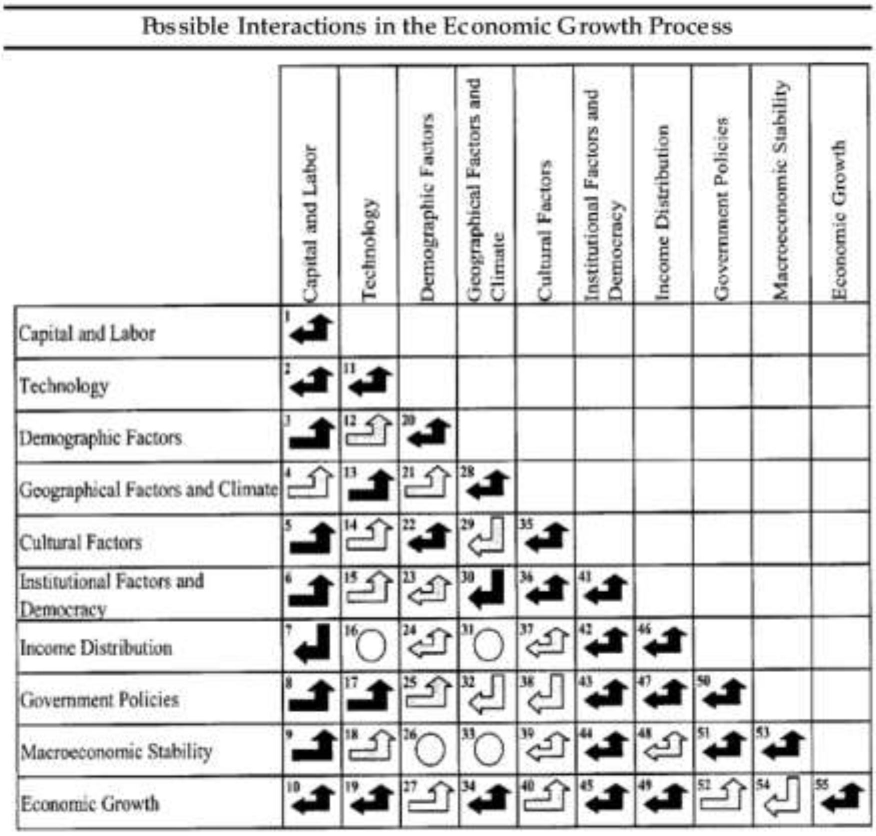

Figure 3. Possible Interaction in the Economic Growth Process

Arrows with Stronger colors have a stronger correlative relationship compared to brighter colors, while those with a circle logo indicate a weak relationship, while those with a two-way arrow indicate a causal relationship.

Results and Discussion

During the New Order, economic growth of 6-7 percent was something that often happened. The high growth rate was supported by revenues from the natural resource sector, such as oil, natural gas, forestry, and agriculture. However, in the 1990s, revenues from the oil and natural gas sector declined and had an impact on the decline 1802-level growth economy.

Growth economy Keep going corrected, from early 2000 to 2023, economic growth has never again reached 7 percent. Only in 2007 did the economic growth economy reach 6.68 percent, then in 2011 it reached 6.17 percent and in 2012 it was 6.03 percent after That number growth economy was consistent at the 5 percent level.

If we look more closely, the source of economic growth always relies on household consumption. A large population has become 1802i want to request 1802very large level1802. However, for the structure economy national more grows bigger again, then consumption 1802level1802 No Enough as One the only one support. Required source source other growth besides consumption 1802 level 1802. Moreover, consumption 1802level1802s after the COVID-19 pandemic are experiencing sufficient correction significant, and the recovery process needs time, and the right policies, as well as support for all *stakeholders*.

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The decline 1803 level consumption House ladder as source growth economy seen in the data *series* sources of growth economy 2015-2023 below:

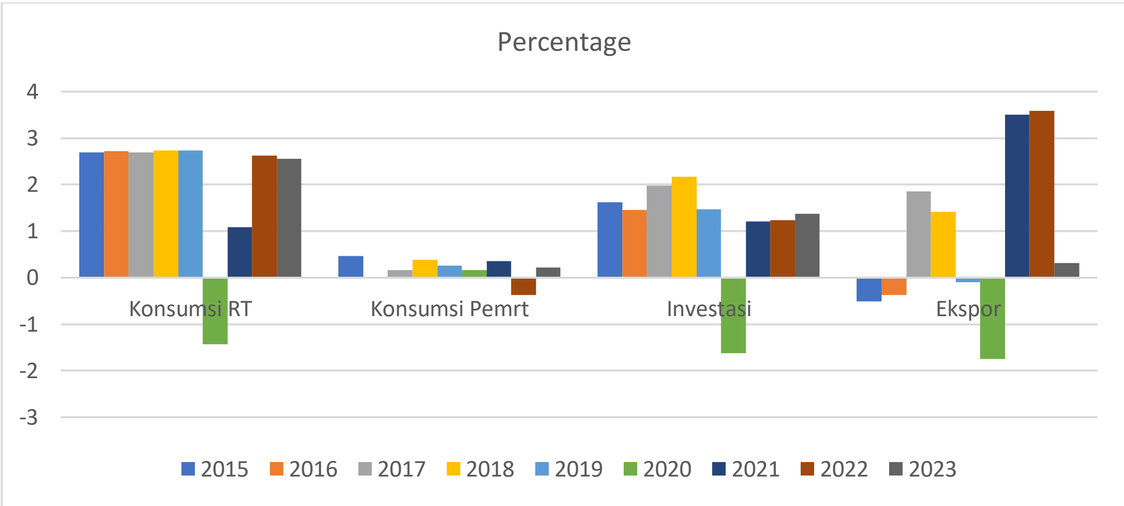

Figure 4. Data *series* source growth economy 2015-2023.

From the data above visible, structure growth the economy relies heavily on household consumption. However, three years after the pandemic, household consumption as a source of economic growth has not fully recovered compared to before the COVID-19 pandemic. The data above shows show consumption House ladder the 2015-2019 period contributed to an average economic growth of 2.71 percent, while post-pandemic in the 2021-2023 period it was lower, an average of 2.08 percent. The effects of the pandemic hit informal economic activities, especially micro and small businesses give an impact on the decline of Power Buy House stairs, plus Again bankruptcy of several companies Because of the decline in global demand and competition.

Situation That impact lower amount class middle class Indonesia. Even though they as group that during This become booster level request domestic. This means that the more big amount class intermediate correlated positively to the level of high demand, and vice versa. This fact is confirmed in the Posture class middle class declining lately.

Central Statistics Agency Notes show a decline drastic number of the middle class in Indonesia. As many as 9.48 million middle-class citizens are vulnerable to 'downgrading' from the vulnerable middle class to the vulnerable poor group. In 2019, Indonesia had 53.33 million middle-class citizens, or 21.45%. That number will decrease to 'only' 47.85 million in 2024 or the remaining 17.13%.

This policy to maintain household purchasing power is more focused on the lower middle class. Various government programs that are rolled out through social protection program packages, especially since the covid19 pandemic, are more focused on poor households, such as; the Family Hope Program (PKH), Basic Food Cards, electricity and fuel subsidies, cash assistance, and pre-employment cards are more focused on poor households.

A study from the Institute for Economic and Social Research, Faculty of Economics and Business, University of Indonesia (LPEM FEB UI) is important For We Observe. Research with approach *Growth Incidence Curve* explains policy economy over the past ten years has focused too much on the top 10% and

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the bottom 20%. At the same time, the middle class, which makes up 40%-80%, has received less affirmation. The 60%-80% group has experienced a growth economy.

Studies conducted by Banerjee & Duflo (2008) show that a large and strong middle-class structure will encourage development to move faster. This assumption is based on the idea that the middle class is correlated with the growth of democracy, and the growth of democracy positively contributes to economic growth, secondly; the middle class encourages the growth of entrepreneurial activity so that it supports new jobs, thirdly; the middle class as a source of accumulation of community savings, and fourthly; the middle class encourages the level of request the taller.

Thus, a more comprehensive policy strategy specific to target class medium, especially class middle class in the lower class, which is vulnerable fall to group House house-poor ladder. Some policy strategies that can take among others; (1) maintaining the level of inflation low, so as not to grind Power buy, especially class lower middle level, (2) strengthening scale business small and medium through differentiation strategy product, governance good management, better market access wide, (3) open field Work new, or not through scheme project government with "dense" scheme work.

In addition to the importance of maintaining household consumption levels as a source of growth, the second agenda is the need to improve the scale and posture of investment. BPS data shows donation investment to the growth economy in the 2015-2019 period averaged 1.73 percent. If we compare with the period 2021-203, his contribution to the growth economy lower, averaging only 1.27 percent. The good news is, over the past three years the investment contribution to economic growth has shown an increasing trend, from 1.21 percent in 2021 to 1.38 percent in 2023. This means with all better-*organized* policies, the contribution of investment to economic growth can be increased. The government has its umbrella of strong laws to push growth investment, such as the Invite Job Creation Law, and various laws that support the need for investment.

However, structure investment also needs to be fixed. The portion of investment in the building sector is the most dominant, compared to other investments such as; machinery and equipment, vehicles, CBR (Cultivated *Biological Resources)* or source Power life, and equipment others. As seen in the data *series* below, investment buildings contribute to economic growth;

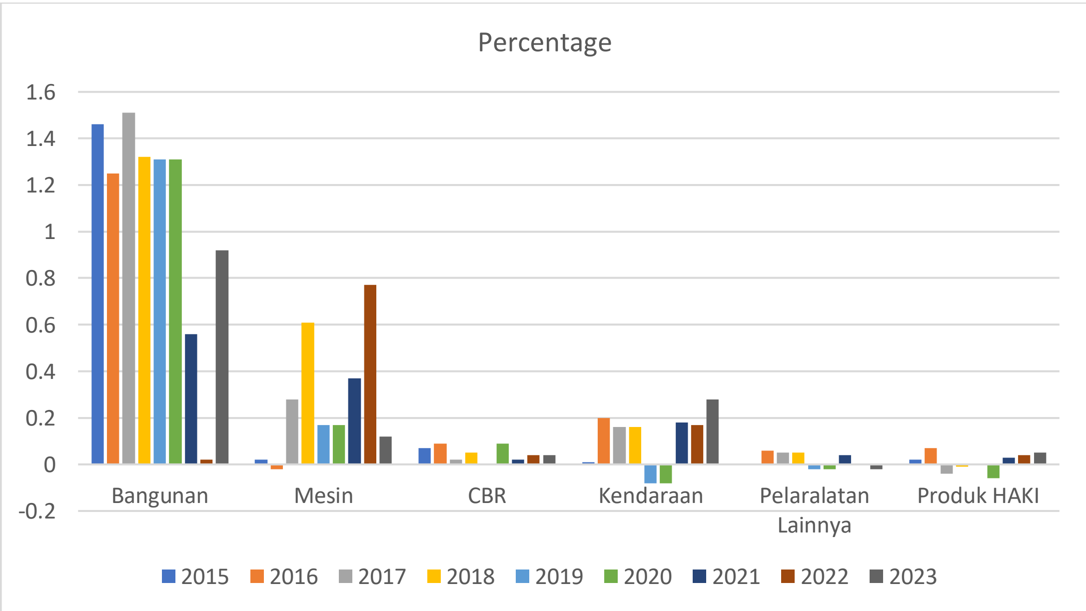

Figure 5. Data *series* Investing in growth economy 2015-2023.

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Referring to the data above, the direction and strategy of the second policy must encourage the increasingly strong role of investment as a contributor to economic growth. However, strengthening investment must focus on sectors whose contribution to economic growth is still relatively low, such as CBR, and products. Riches intellectual property (IPR).

Indonesia has abundant natural resources, both in the ocean and on land. For these natural resources to continue to be sustainable, the government must direct green and blue investment policies in the CBR sector, so that it has an impact on the development of natural resources and their sustainability. Important focus from investment source biological can be directed Toward strengthening independence food and energy.

CBR investment is necessary to strengthen the sector of food and energy. This step for closing deficit trading goods and services in the sector, which is more in One basic No succeed We finish. In the middle conflict geopolitics is enough escalate since the war between Russia and Ukraine, and it has spread conflict in the Middle East, many countries have begun to take steps to secure the supply of their respective food and energy.

Situation That Of course Not profitable for Indonesia if Keep going and depends on the supply of imports To cover food and energy. Ironically, the supply import for cover needs food and energy the more days the bigger. This is seen in the data *series* below;

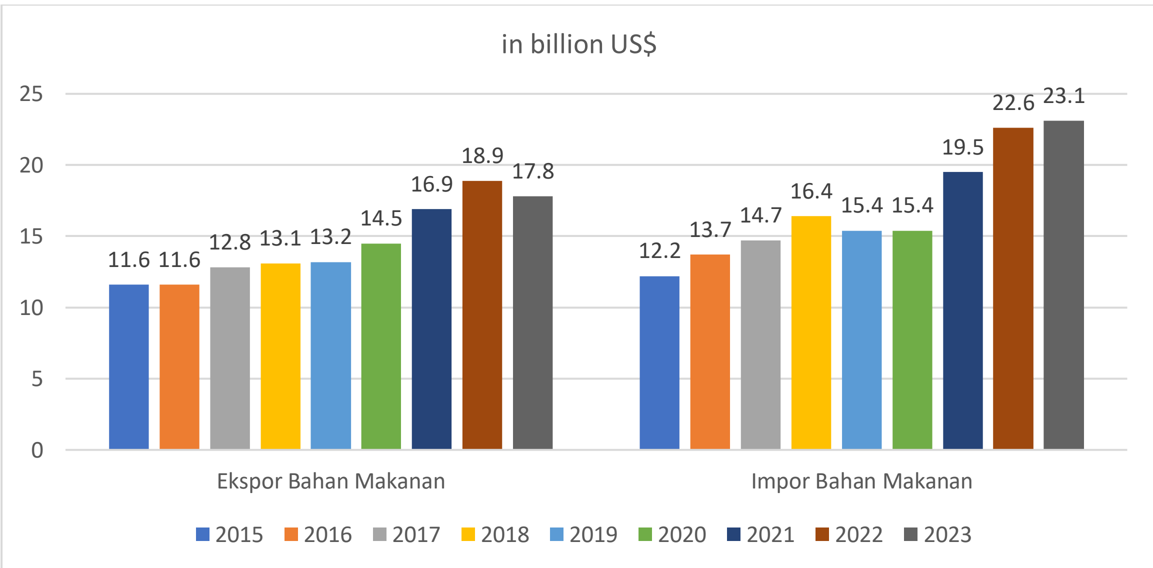

Figure 6. Data *series* export import material food 2015-2023.

In the period 2015-2023, food trade and live animals experienced a cumulative deficit of 6.12 billion US$ or equivalent to Rp. 97.9 trillion. Setali three money with matter that, the situation similar occurs in the trade energy sector which shows deficit figures. That is seen in the data *series* below:

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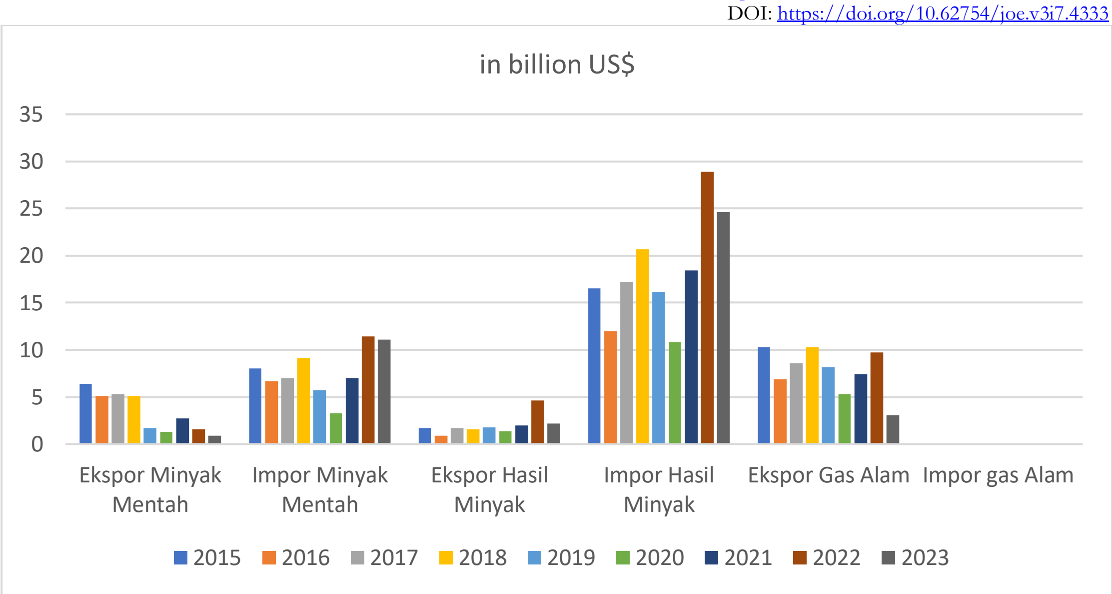

Figure 7. Data *series* source exports 2015-2023.

Dependence import on oil crude oil and oil production are increasing every year. Meanwhile, national oil and gas production capacity is decreasing. Considering this, there is no other word than to push improvement investment in the sector source Power biological as road independence food and energy. However, scheme investment biological and must base on the scheme growth economy green. That step is a road for ensuring that the development that we live in the moment this and the future gives a guarantee ecosystem will be healthy in the generation upcoming.

In 2013, Bappenas and *the Global Green Growth Institute* simulated a growth economy, if the direction policy going to economy green compared to No use of draft economy green, result in the simulation looks at a comparison of two scenarios:

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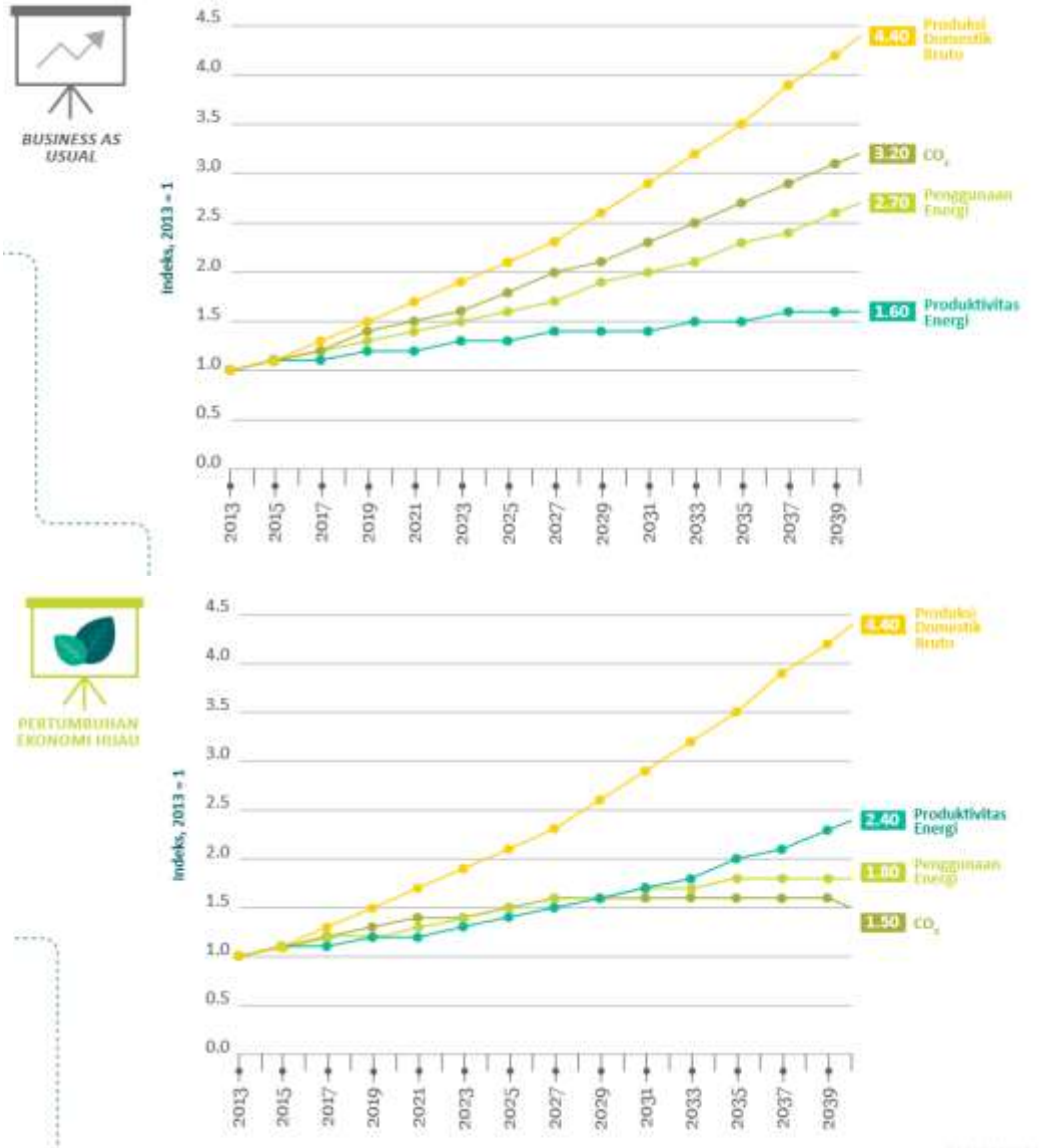

Figure 8. Policy going to economy green compared to with No use economy green

With the scheme economy, Indonesia gets long-term benefits term long in the form of a declining level of carbon dioxide, and increased productivity energy. This benefit contribution is positive to the justice generation. They benefit from the ecosystem's environmental life with well, so the risk impact emission lower.

Transformation strategy going to economy green can Be done in a way gradual, and reinforced with umbrella strong law, so that tie all parties involved in the scheme economy green. Some step policy gradual that can be done among others;

1) Give an incentive for all perpetrator businesses and society to use energy clean. Incentives provided by the government to form an ecosystem car electricity can develop more widely Again.

2) Give incentives for research and development For engineering technology for effort creation energy. Incentives can given in the form of compensation taxation, duties entry and exit, patent protection, and access requests more widely.

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3) In general, slowly deleting subsidy material burns fossil along increases the use of energy, especially in the sector of transportation, and the electricity House ladder.

4) Expanding the investment base with given incentives on production and development of energy clean by business entity government and also perpetrator private.

5) Set tax carbon more progressive as an accountability strategy entity on donation emissions to the environment life.

6) Build industry new that relies on use of material standard waste.

In addition to investment in the sector of biological resources, the portion of intellectual property as a support for economic growth is also still low. Achievements highest investment in the field riches intellectual during almost ten years in giving donation growth economy We achieved in 2016. His contribution to the growth economy by 0.07 percent. After That No Once Again taller from achievements in 2016.

The challenges we face are to produce source riches intellectual more Lots with repair quality source Power human. In its report, *the World Intellectual Property Organization* (WIPO) in 2023, Indonesia's innovation level was at number 61, while *peer countries* such as Malaysia ranked 36, Thailand 43, the Philippines 56, and Vietnam 46.

Thus, as it is with ranking Indonesia's *human development is still below peer* countries. This can be seen in the 2023 United Nations Development Programmed (UNDP) Report. The ranking development Indonesian people are ranked 112th out of 193 countries. Meanwhile, Malaysia is ranked 63rd, Thailand is ranked 66th, and Vietnam is 107th. Meanwhile, the Philippines is only one level below Indonesia, at 113th. Not only that, lost in terms of the level of innovation and human resource development, Indonesia is still lagging behind other countries. *Peer* in ranking rich intellectual property compiled by the International Intellectual Property (IIP). Indonesia's IIP ranking in 2024 is in 49th position with a score of 30.4 percent, while Thailand is in 43rd position with a score of 38.2 percent, Vietnam is in 40th position with a score of 40.7 percent, Malaysia is in 27th position with a score of 30.4 percent, and score 53.4 percent.

In the future, the government and private sector must provide affirmation for funding for research and technology development, especially those that are practically directed to drive economic growth. World Bank data shows that Indonesia's research and development spending in 2020 was only 0.28 percent of GDP, while Malaysia's was 0.95 percent of GDP, Singapore's was 2.16 percent of GDP, Thailand's was 1.2 percent of GDP, and Vietnam's was 0.43 percent of GDP.

If we compare it with developed countries, their research and development allocation is much larger, for example, the United States reached 3.46 percent of GDP in 2021, the United Kingdom 2.91 percent of its GDP, Germany 3.14 percent of its GDP, and France 2.2 percent of its GDP. In developed countries in Asia such as China, their research and development spending reached 2.43 percent of its GDP, South Korea 4.93 percent of its GDP, and Japan reached 3.3 percent of Its GDP.

Indonesia must make *a roadmap* for increasing research and investment spending as part of the framework for developing the economy, especially transforming commodity products into high-value goods. Indonesia can follow the example of developed countries, by making a gradual allocation of research and development spending in the next five years to reach 1.5 - 2.5 percent of GDP.

However, support shopping Large-scale research and development alone is not enough. An ecosystem that supports the growth of a research culture, especially collaboration between the government, education, and business actors, is an important capital for building this ecosystem. An important output of collaboration between the government, education, and business actors in forming a research ecosystem is the formation of an epistemic community. Community is what is the driving force for the development of research and innovation nationally.

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The third policy strategy is to increase national economic growth by expanding export capacity and base. The national export structure has so far been dominated by the commodity sector. From BPS data, it is depicted structure Indonesian exports, which consist of; (1) export oil and natural gas (oil and gas) and (2) non-oil and gas. Almost 10 years Lastly, export oil and gas in a way in sequence dominated by natural gas, oil raw and finished oil, such as seen in the chart under;

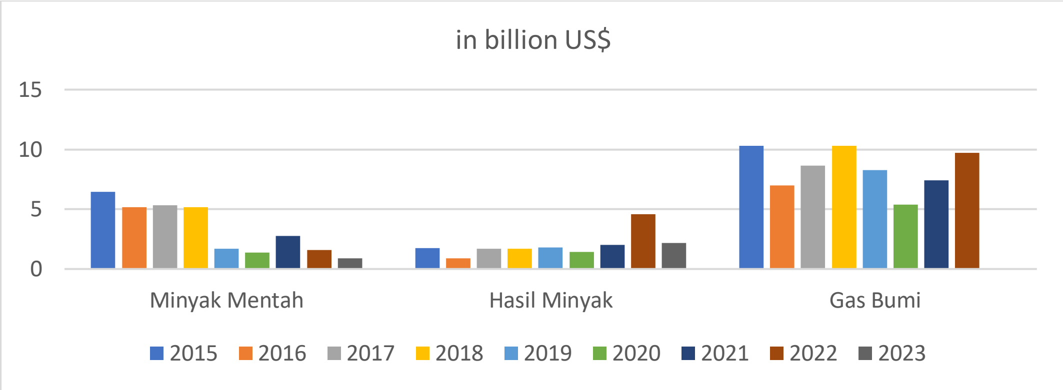

Figure 9. Structure Export Indonesian Oil and Gas

Structure export oil and gas We have almost ten years last seen dominated by gas exports, while the export of oil shows a trend decline. Somewhat bad news encouraging, export results in oil show trend improvement. Not many choice policies can take by the government to increase the export of oil and gas. In the future industry oil and gas will enter the category *sunset industry*.

Temporary investment in the sector upstream oil and gas the cost is very large, even then own level of high *gain*, because not all activity exploration produces backup big oil and gas. Choice of existing policies to strive investment in the sector upstream oil and gas still ongoing, supported with innovative technology for to be accurate activity exploration. At the same time increase mark plus export oil and gas with increased capacity processing oil within the country.

Other sectors that should be Can We push big Again namely non -oil and gas exports. Indonesia has a diversity non- oil exports Enough many; like oil palm oil, coal, rubber, coffee, fresh fish, pepper, fruit fruits, grass sea, nest bird, chemistry base organic, ore copper, iron, steel, lignite, shoes sports, clothing convection, jewelry, and equipment electricity. Sadly, from the diversity non- oil and gas exports that we run, only several commodities certain volume and value, including; coal, oil palm oil, iron and steel, chemicals base organic, and rubber crumbs.

Five commodities big that support Indonesia's non-oil and gas exports, as seen in structure non-oil exports We almost 10 years last below This ;

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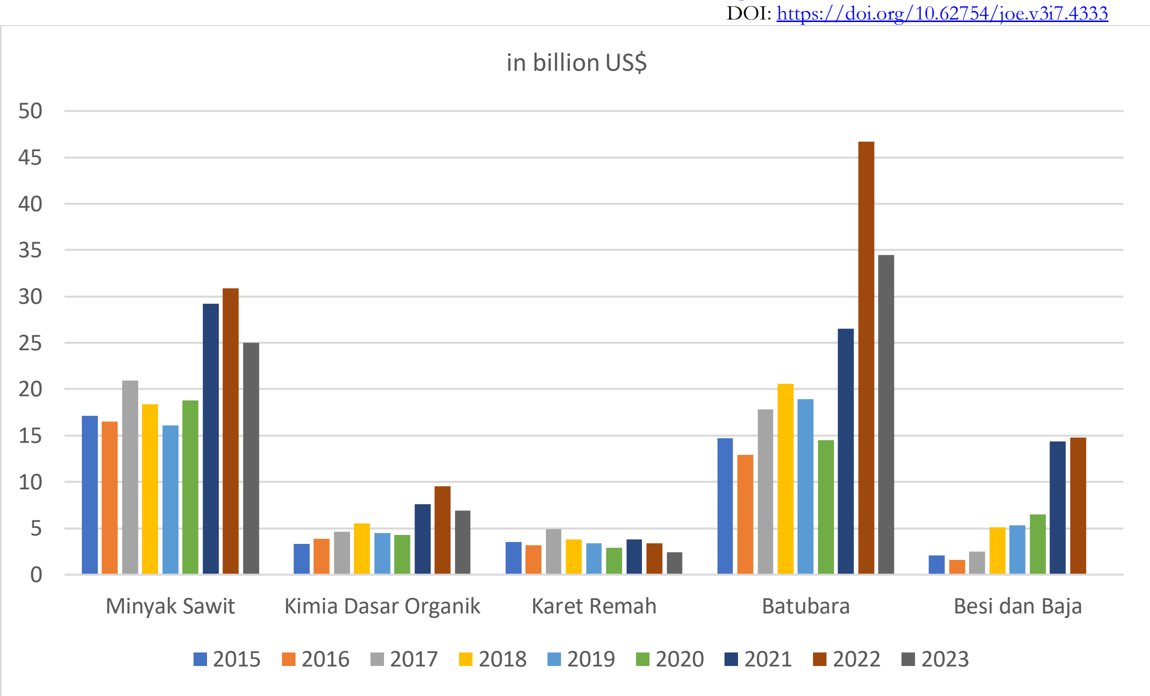

Figure 10. Structure Export Non -Oil and Gas Indonesia

Exports are based on the sector commodities, such as those currently We run our own risk of causing a disastrous environment, for example, Because of the expansion plant monoculture palm oil that replaces the forest Rain tropical vegetation rich, as well as more and more expanded area hole mine coal.

BPS data for 2023 states that the area of plantation palm oil reached 15.43 million hectares. This means plantation palm oil in Indonesia is far wider compared to the area of Java Island is 12.8 million hectares. Meanwhile, data from the Ministry of Environment and Forestry in 2018, there were 3,033 former hole mines, and some among them used hole coal mines that ignored activity reclamation after the mine.

Forward government No may be hesitant to ensure implementation policy safety and sustainability nature. These topographic changes have an impact on the decline, even the extinction population of animals, as well as increasing level heating, and decreasing source springs, and donate faster to change climate.

If wealth sources diverse life declined, even extinct, Indonesia does not Again own Power pull investment sustainable that maintain diverse living flora and fauna. Because of that, the government must ensure maximum limit penetration area plantation palm oil, and activities mining, as well as recovery environment life after mine. A study mentioned, that for fifty years Lastly, the world has lost 20 percent of NPP (*Net Primary Production*), or net primary production, which measures carbon produced by primary producers per unit area and time, obtained with reduced-cost respiration plants (Rp) from gross primary productivity (GPP) or total photosynthesis. The loss of 20 percent of NPP is due to land agriculture and plantation monoculture.

In the World Economic Forum in 2022, it was stated Damage economy term long from the disappearance of diversity biological estimated to range between USD 2 – 4.5 trillion per year. This means a declining economy, and an impact on genetics, and the environment that we accept Because of risk pattern production.

One of the prospects for export sustainable Indonesia with risk of low carbon with governance results sea. From the sector fishery only, in range time six years Lastly, export Indonesian fisheries continue to increase, as seen from data from the Ministry of Marine Affairs and Fisheries (KKP);

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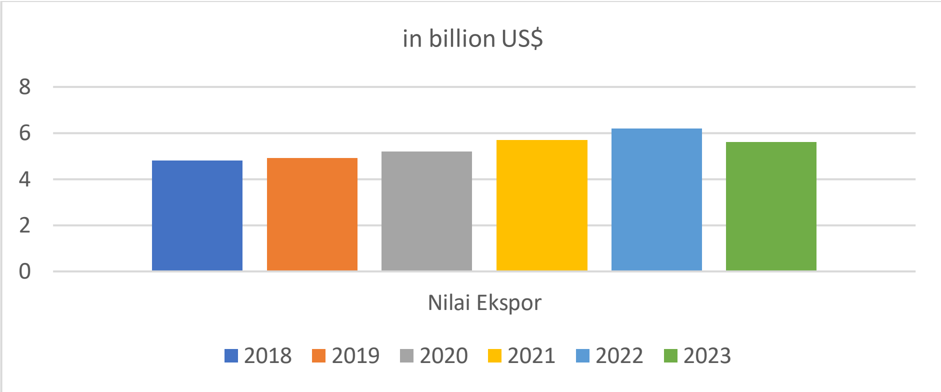

Figure 11. Indonesia's Export Value 2018-2023

Sadly, potential export big fishery Not yet comparable with quality source Power human. The majority of fishermen We Still fisherman traditionally, use boats average fishing under 30 *Gross ton* (GT). With the size of the ship that is not too big, the impact on reach fishing is also limited. Not many Indonesian fishermen are capable reach area fishing in the Exclusive Economic Zone (EEZ).

Conclusion

In the future, Indonesia needs to sharpen implementation strategy policies that answer from problem improvement growth economy. Some step policies that can be carried out among others;

1. Improvement capacity source Power fishermen, good source Power man and also tool its production.

2. Develop sector downstream results sea, with thus need depend on strength research innovative, investment and policy supporters.

3. Protection of domestic markets and strengthening of export markets results in the sea, which not only originates from fisheries, but also sources Power others, including export energy, and destinations tourism obtained from the source Power Sea.

4. Strengthen diplomacy and security sector marine for ensure security and assurance law sea on all over activity exploration source Power Sea.

5. Ensure all over activity exploration results sea hold principle sustainable production and consumption ecosystem sea. Principle This For ensures guaranteed exploration results in sea futures long, and fair for generations of upcoming.

With the five steps of the above policy, Indonesia has the opportunity to increase exports and foreign exchange results the sea is bigger again. With reception foreign exchange results export and destination tour the sea is bigger big, then his contribution export in to bring up growth economy in the future coming soon will also be bigger.

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