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Burden Sharing: The Role of the Indonesian Parliament Integrating Fiscal and Monetary Policies in The State Budget for Handling Covid-19

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Abstract: The Covid-19 pandemic is a crisis that became a global challenge. Dealing with the pandemic cannot be separated from fiscal risks which are reflected in weakening tax revenues, widening primary balance deficits, significant budget deficits and increases in debt ratios. In order to implement the *Pemulihan Ekonomi Nasional* (PEN)/ National Economic Recovery program, integration of fiscal policy and monetary policy is required. This policy synergy initiative emerged from the *Dewan Perwakilan Rakyat* (DPR)/ Indonesian Parliament, which is called "burden sharing". This research aims to: (1) analyze and examine the role of the DPR in integrating fiscal policy and monetary policy for handling the Covid-19 pandemic; (2) analyze and review the appropriate policy mix between fiscal policy and monetary policy; (3) analyze and review the monitoring and evaluation mechanism by the DPR in the implementation of the fiscal policy mix and monetary policy; (4) analyzing and reviewing the implementation of policy integration in several comparative countries in handling the Covid-19 pandemic. This research was conducted using a qualitative approach with data collection methods using in-depth interviews and data analysis methods using NVIVO. The research results show that: (1) the role of the DPR in integrating monetary and fiscal policies through burden-sharing policies during the Covid-19 is to provide legal certainty and political legitimacy, also through approval of the Perpu (*Emergency Law*) proposed by the President of the Republic of Indonesia; (2) there are several policy mixes implemented in handling Covid-19, but the most prominent is monetary policy which accommodates large fiscal financing needs due to widening fiscal deficits, that is purchase of government bonds in the primary market; (3) supervision and evaluation by the DPR is carried out to maintain the sustainability of fiscal space. This refers to the impact of expansionary fiscal policy which causes the deficit to widen; (4) there are similarities in policies between Indonesia and other countries such as India and Korea, which both provide stimulus to the MSME sector, integration of fiscal & monetary policies and the formation of emergency law. Based on the results of this research, recommendations for expanding initiatives and strengthening the role of the DPR as an institution that aggregates various political forces and aspirations are presented, in various situations that require strong political legitimacy. It is deemed necessary to carry out simulations of other roles that the monetary authority can play in supporting state financial policy, while still maintaining independence. DPR supervision still needs to be carried out to maintain the sustainability of fiscal space. As an anticipation, it is necessary to prepare a protocol for handling economic crises which in the future may be caused by factors outside the economy itself, mainly through legal mechanisms (emergency law).

Keywords: Covid-19 Pandemic, Fiscal Policy, Monetary Policy, Policy Integration, Qualitative Approach

Background

The Covid-19 pandemic became a global challenge. This situation has brought governments and communities in various parts of the world into a completely new and unexpected situation. Bremmer (2020) describes it, "There are decades where nothing happens, and there are weeks where decades happened."

The pandemic has become a test for state administrators, the extent to which they can act beyond normal situations. The annual meeting of the American Economic Association (AEA) held in January 2021, this time held via Zoom, emphasized the importance of two elements that economists often fail to take into account, which are state capacity and social trust (The Economist, 2021).

In the second quarter of 2021, the Covid-19 pandemic experienced its second wave with a very high number of cases globally in April-May 2021. The increase in cases occurred from late March to early May, which was triggered by a spike in cases from various developing countries, especially India, Turkey, Brazil, Colombia, and ASEAN countries. Meanwhile, things look better in developed countries such as the US, UK, and various European countries with a very significant decline in daily cases and deaths, supported by the high speed of vaccination. As of June 27, 2021, the total cumulative cases of COVID-19 reached 181.85 million and deaths reached 3.94 million worldwide. The average daily cases and deaths have fallen significantly compared to the peak, to a level of 369 thousand cases and 7.92 thousand deaths in the last week (Fiscal Policy Agency, 2021).

Since the spread of the pandemic in the second quarter of 2020, the government launched the *Pemulihan Ekonomi Nasional* (PEN)/ National Economic Recovery program. Based on *Peraturan Pemerintah* (PP)/ Government Regulation Number 23/ 2020, the PEN program is a series of activities for national economic recovery which is part of the state financial policy to accelerate the handling of the Covid-19 pandemic and/ or face threats that endanger the national economy and/or financial system stability as well as saving the national economy.

The PEN program aims to protect, maintain, and improve the economic capabilities of business actors in running their businesses. This program is implemented with several principles, as follows: (i) social justice; (ii) the greatest prosperity of the people; (iii) support business; (iv) applying prudent policy principles, as well as good, transparent, accelerated, fair and accountable governance in accordance with the provisions of laws and regulations; (v) does not create moral hazard; and (vi) sharing of costs and risks between stakeholders according to their respective duties and authorities (Ministry of Finance, 2020).

The COVID-19 pandemic has had a heavy impact on the economy, as well as causing considerable pressure on fiscal resilience. This impact can be seen in Indonesia's economic growth in 2020, which contracted quite significantly, reaching 2.07 percent. The pressure on macrofiscal is also quite deep, reflected in the increase in the deficit reaching 6.13 percent of GDP, higher than the 2019 deficit of 2.2 percent of GDP (Central Bureau of Statistics, 2020).

To implement the PEN program, integration of fiscal policy from the government and monetary policy from Bank Indonesia/ BI (central bank) as the monetary authority is required. This synergy initiative emerged from the Dewan Perwakilan Rakyat (DPR)/ parliament with what is known as "burden sharing". Burden sharing between the government and BI is necessary for financing the PEN program, considering the large budget that the government cannot cover alone.

Burden sharing implemented in Indonesia is carried out with the main principles, which are maintaining fiscal space and sustainability in the medium term, maintaining the deficit quality of the state budget, which is aimed at productive spending, and supporting the gradual reduction of the state budget deficit to below 3% starting in 2023. Besides, the implementation of burden sharing is also carried out by maintaining the stability of exchange rates, interest rates, and inflation so that they remain under control and paying attention to the credibility and integrity of economic, fiscal and monetary management so that it is hoped that it can encourage sustainable economic growth (Ministry of Finance, 2020).

Burden sharing is implemented with a scheme: first, public goods financing, that is financing in the health, social, sectoral, ministers/ institutions, and regional government sectors, is borne by BI through the purchase of Surat Berharga Negara (SBN)/ State Securities with a private placement mechanism, the coupon rate is the BI reverse repo rate. Second, non-public goods financing for economic recovery and the business (financing for SMEs and non-SME corporations) is borne by the government through the sale of SBN to the market. For financing of other non-public goods, it is borne entirely by the government at the market rate.

The division of roles between the KSSK (Financial Sector Stability Committee), in maintaining national economic conditions and financial system stability has been confirmed in Law No. 2 of 2020 concerning the Determination of Government Regulation No. 1 of 2020, but there is still mutual confirmation and agreement regarding the burden sharing system and mechanism. So the agreement to bear this burden, on the one hand, will lighten the government's fiscal burden. On the other hand, BI can still maintain economic and financial system stability, so that the PEN program runs well (dpr.go.id).

Based on the background of the problem, this research seeks to answer several questions as follows: (i). What is the role of the DPR in integrating fiscal policy and monetary policy to handle the Covid-19 pandemic? (ii). What is the appropriate policy mix between fiscal policy and monetary policy in handling the Covid-19 pandemic? (iii). What is the monitoring and evaluation mechanism by the DPR in implementing the fiscal policy mix and monetary policy for handling the COVID-19 pandemic? and (iv). How is policy integration implemented in several comparative countries in handling the Covid-19 pandemic?

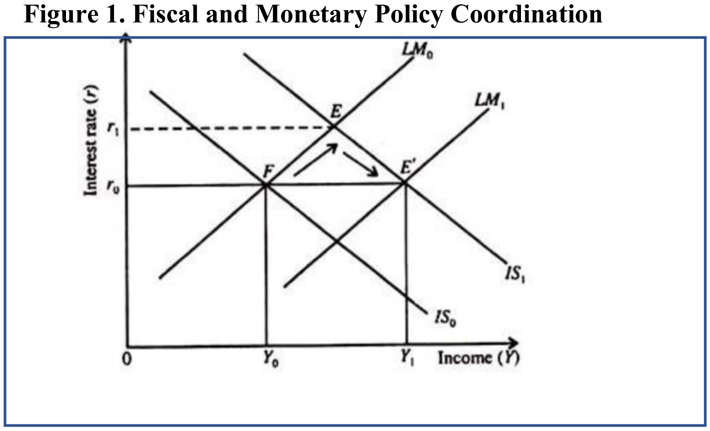
Referring to Lasswell, public policy orientation is (i) multi-method; (ii) multi-disciplinary; (iii) problem-focused; (iv) concerned with contextual mapping of policy processes, policy options, and policy outcomes; and (v) aims to integrate knowledge into a comprehensive discipline (overarching) to analyze public choices and decision making and thereby play a role in the democratization of society (Lasswell, 1951, 1968, 1970, 1971). Dye (2017) provides a basic understanding of public policy as what the government does or does not do. This understanding was then developed and updated by scientists working in public policy as a refinement because if this meaning is applied, the scope of this study becomes very broad, apart from the study which only focuses on the state as the subject of study.

A focus on public policy processes has become increasingly important with modernization, technological innovation, and the development of international transactions. The clash of values between social, economic, and political issues has deep implications for politics and government. With this change in situation, the government began to focus on the problems of its citizens (Gerston, 2015).

Some economists agree that coordinating monetary and fiscal policy will have a positive impact on macroeconomic stability. Some other economists argue that it is better for the two policy authorities not to pay attention to the behavior of the other policy authorities because with coordination, monetary and fiscal policy objectives cannot be carried out optimally (Simorangkir, 2007). In practice, coordination between monetary and fiscal policy is really necessary. The rate of inflation in Indonesia is not only influenced by demand factors (demand pull) but also by supply factors (cost-push), so that achieving the final target of monetary policy (inflation) can be effective, cooperation and coordination between the fiscal authority and the monetary authority, through macroeconomic policy integration, is absolutely necessary.

Figure 1 shows that cutting taxes or increasing government spending, shifts the IS curve to the right from IS_0 to IS_1. As a result, equilibrium income will rise from Y_0 to Y_1 and equilibrium r from r_0 to r_1. However, if expansionary fiscal policy is accompanied by expansionary monetary policy in the form of an increase in the money supply from M_0 to M_1, then the LM curve will also shift to the right from LM_0 (M_0) to LM_1 (M_1).

Figure 1. Fiscal and Monetary Policy Coordination



Source: McEachern (2016)

This shift offsets an increase in r without a change in monetary policy. It is also an illustration of the Keynesian presumption about fiscal policy actions such as income tax cuts to provide economic stimulus supported by accommodative monetary policy — an accompanying increase in the money supply that would prevent r from rising and prevent the crowding out of investment. At the same time the IS curve is shifted to the right by the tax cut, the supply of money increases enough that the LM curve shifts far enough to the right to prevent r from increasing.

Macroeconomic uncertainty during a pandemic is difficult to measure. Fiscal and monetary policy coordination is very important to minimize this uncertainty. Chakraborty and Harikhrisnan (2021) analyzed the economic stimulus package announced by the Indian national government facing the COVID-19 pandemic and identified several fiscal and monetary policy coordinations. Globally, there is growing concern about the trend towards decoupling monetary and fiscal policy when estimating the macroeconomic impact of fiscal deficits on economic growth.

According to Chakraborty and Harikhrisnan (2021), liquidity infusion has limitations in encouraging economic recovery. Meanwhile, high deficit levels can provide benefits through increased public investment, especially in the fields of health infrastructure and capital goods infrastructure. This is based on the fact that the crisis was a dual crisis, namely a public health crisis and a macroeconomic crisis. In times of crisis, not only is the level of the deficit important, but the financing of the deficit is equally important. If emergency bond financing of the deficit leads to a situation where real interest rates exceed real economic growth, eventual monetization of the deficit may be necessary.

In situations based on emergencies where integration of fiscal policy and monetary policy must be carried out, one measure in its implementation is economic efficiency. The concept of efficiency, one of which is called Kaldor-Hicks Efficiency, states that an action can be said to be efficient if the reallocation that arises as a result of its implementation can produce more benefits to the party who benefits than to the party who is harmed (Ridic & Ridic, 2018).

Research Methods

The main research design uses a qualitative approach with the grounded theory which includes coding techniques. Bandur (2019) describes the characteristics of the approach: (i) understanding the meaning conveyed by respondents; (ii) providing open-ended questions to understand the complexity of main ideas; (iii) data can be in the form of text, images and so on; (iv) use of analysis of text, images and so on to obtain broad patterns; and (v) identify the opinions of each participant.

Saldana (2013) states that coding analysis is a crucial part in qualitative studies which usually takes the form of words or short sentences that symbolically (essence-capturing) indicate parts of sentences or visual data. Saldana also said that coding is an interpretive act, not an exact science. Furthermore, coding types can be divided into two according to Saldana, namely: (i) decoding; a technique for deciphering a group of sentences into their original meaning; and (ii) encoding; the most appropriate code labeling technique. Miles et al. (2014) stated that there are two stages in coding, namely: (i) first cycle coding; and (ii) second cycle coding. Coding is the provision of labels to symbolically indicate descriptive information or inferential information found during the study process.

Data collection was carried out through in-depth interviews involving stakeholders based on problem formulation. In the in-depth interviews, stakeholders will be directed to provide perspectives of the research problem. The results of the in-depth interviews will be presented in the form of transcripts. Next, based on the transcripts, a systematic coding process will be carried out.

Results

In this research, informants were divided into 4: monetary authority, fiscal authority, legislative members, and economists. The categorization of informants based on institutional origin is presented in Table 1.

Table 1. Categorization of Informants

No	Informants	Position	Institution	Category
1	Destry Damayanti, SE, MSc.	Senior Deputy Governor	Bank Indonesia	Monetary Authority
2	Prof. Suahasil Nazara, Ph.D	Vice Minister	Ministry of Finance	Fiscal Authority
3	Said Abdullah	Chairman of the Budget Agency	DPR RI/ Parliament	Legislative
4	Ir. Dolfie Othniel Fredric Palit	Deputy Chairman of Commission XI	DPR RI/ Parliament	DPR RI/ Parliament
5	Dr. Piter Abdullah Redjalam	Executive Director	Segara Research Institute	Economist
		Member	Bank Indonesia Supervision Agency	
6	Prof. Muliaman Hadad	Chairman of the Board of Commissioners	Financial Services Authority (2012-2017)	Economist
		President Commisioner	Indonesian Sharia Bank	
7	Maria Gonzales and team	Analysts	*International Monetary Fund*	Resource persons about policy in Indonesia
8	Prof. Shin Jin Kyo & Jae-Hyeok Choi, Ph.D	Academics and Researchers	Keimyung University, South Korea	Resource persons about policy in South Korea
9	Ms. Malvika Priyadarshini	First Secretary (Economic & Commercial)	Indian Embassy in Indonesia	Resource persons about policy in India

Source: Researchers

Based on hierarchical analysis, there are 17 nodes, which refer to the formulation or research objectives. The aggregate number of references from each node is depicted in Table 2. Overall (4 categories of informants), both implicitly and explicitly, mentioned the purchase of Government Securities (SBN) by the central bank as a reflection of the implementation of the burden-sharing policy. The “Purchase of SBN by central bank” node has the highest source value (8) with a total contribution of 89%. This indicates that 89% of the informants' answers touched on the role of the central bank in providing support for fiscal limitations in the economic recovery program during the pandemic. The second biggest node is Ratification of Government Regulation and Policy Integration, the third is Integration of fiscal and monetary policy, and the rest nodes (as can see in this below table), show the informants' attention relate to this burden-sharing case.

Table 2. Aggregate Hierarchy Nodes Reference

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	Purchase of SBN by the central bank	8	1	9	89%
2	Ratification of Gov Regulation→ Policy integration	7	1	9	77%
3	Integration of fiscal and monetary policies	6	1	9	67%
4	Legislative → Policy integration	6	1	9	67%
5	Political Legitimacy	6	1	9	67%
6	Legislative support	6	1	9	67%

7	Independence	6	1	9	67%
8	Multidimensional crisis	5	1	9	55%
9	Fiscal deficit	4	1	9	44%
10	Burden Sharing → Fiscal Sustainability	4	1	9	33%
11	Executive and legislative communications	3	1	9	33%
12	Inflation rate	3	1	9	22%
13	Stimulus for SME	3	1	9	22%
14	Ratification of Government Regulation→ Credibility	2	1	9	22%
15	Stakeholder Synergy	2	1	9	22%
16	Exchange rate	2	1	9	22%
17	Burden Sharing → Credit Rating	2	1	9	22%

Source: Data Processed

A comprehensive comparison of policies implemented in three countries, namely Indonesia, South Korea, and India, is presented in Table 3. This comparison specifically places the coordination of fiscal policy and monetary policy in the first place according to this study, followed by a comparison of other policies implemented.

Table 3: Comparison of Policy Implementation Facing the Covid-19 Pandemic

No.	Policy	Indonesia	Korea Selatan	India
1.	Coordination of fiscal policy and monetary policy	Burden sharing; financing for public goods and non-public goods. The government covers this, through the sale of SBN to the market. BI contributes the difference between the market rate and the 3-month BI reverse repo rate minus 1%	Fiscal & monetary policies are not aligned. The government issued an additional budget, while the Bank of Korea (BOK) as the central bank raised interest rates. It was only in July 2021 that Minister of Finance Hong Nam-ki and BOK Governor Lee Ju-yeol agreed that the BOK needed to adjust to an accommodative monetary policy.	There is no specific coordination. However, the monetary authority and fiscal authority issued policies that were in line. RBI as the monetary authority issues a monetary stimulus package, while the government issues a fiscal stimulus package
2.	Cash transfer	Amounting to IDR 600 thousand/month for 3 months. In the fourth & sixth months, the funds increased by another IDR 300 thousand, so the total was IDR 2.7 million.	Using prepaid cards or credit card deposits which must be spent by the end of August 2020, to ensure people spend money.	Assistance to migrant workers, street vendors, rural migrant workers
3.	Incentives for the businesses	Tax incentives: a. PPh article 21 is borne by the government (PPh 21 DTP), b. Exemption from Income Tax Article 22 on Imports, c. Reduction of install-ments of PPh article 25,	a. The government established a stability fund for important industries, b. Created primary collateral bonds to facilitate financing for the company. c. Medium & large businesses that are vulnerable to the impact of the pandemic can benefit from deferred tax payments, reduced customs	Improvement of livestock infrastructure (cold chain & crop storage), animal husbandry (Rs. 5000 crore for dairy farmers), and fisheries (development of marine & inland fisheries).

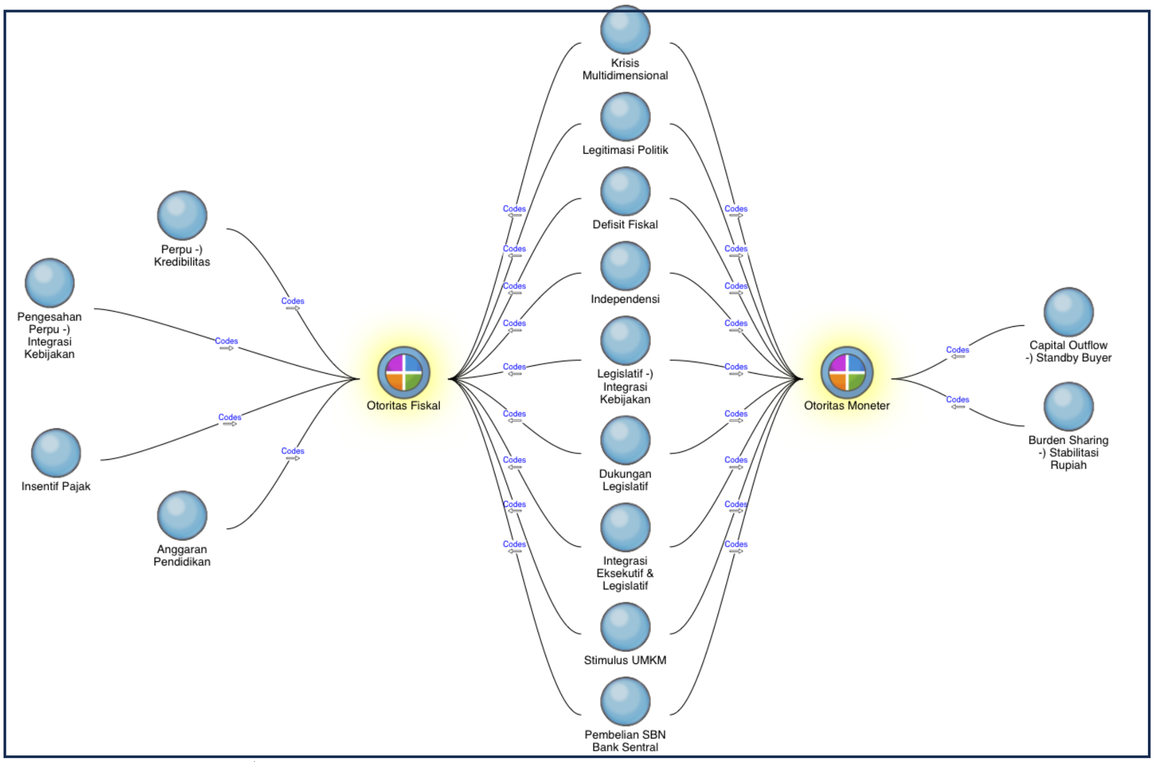
		d. Preliminary VAT refund. Corporate Income Tax rate reduced from 25% to 22%	duties and free 24-hour customs clearance services. d. Industry-specific assistance for motor vehicle parts manufacturers, tourism & restaurants; and transportation.	
4.	Support for SMEs	a. Tax incentives are borne by the govern-ment for final PPh for SMEs. b. SMEs are given relaxation in installment payments and credit interest, through the Ultra Micro and UMKM Interest Subsidy program. c. SME credit restructuring	a. Provides access to low-interest emergency loans. b. Reducing the terms of existing loans & insurance instruments. c. Temporary reduction of VAT & property & real estate taxes d. Reduction of rent and rental fees on publicly owned properties. e. Extended delivery periods for government contractors.	a. Automatic loans without collateral for businesses and SMEs b. Rs 30,000 crore liquidity injected into NBFCs (non-bank financial companies) to support working capital of SMEs
5.	Social Protection	a. Social assistance to millions of people in various low-income sectors such as farmers, traders,construction workers, factory workers, drivers, fishermen & others. b. Support from both direct interventions such as the Family Hope Program (PKH), Direct Cash Assistance (BLT), Village Funds, Cash Social Assistance and Basic Food, to indirect assistance such as discounts on electricity rates and Pre-Employment Cards	a. Distribution ofcouponss offering discounts on goods and services, for local shops and traditional markets b. Consumption vouchers for vulnerable communities, emergency welfare assistance, and temporary reductions in health insurance premiums. c. Citizens in the lowest 70% of income limits were offered immediate emergency assistance, a one-time payment per household totaling up to 1 million South Korean won (approximately $860)	a. Distribution of free food for migrant workers for two months. b. Affordable rental housing complexes are provided for migrant workers or the urban poor.

Source: pen.kemenkeu.go.id, Dyer (2020), Nizami (2020), Bank of Korea (2021)

The results of the comparison diagram analysis are displayed. This section is the second stage in coding analysis (Second Cycle Coding), which is based on nodes or coding created previously (First Cycle Coding). These results illustrate the similarities in things mentioned by each informant (category), which are displayed in the nodes located in the middle of the informant's case. Meanwhile, the nodes to the right and left of the informant are nodes touched on by each informant which are not related to each other, which can replace the exploration diagram.

Figure 2 shows the similarity of nodes between the Monetary Authority and the Fiscal Authority. The similarity of nodes indicates that there are similarities between the matters touched upon by the Monetary Authority and the Fiscal Authority, both explicitly and implicitly.

Figure 2. Comparative Diagram – Monetary Authority vs Fiscal Authority



Source: Data Processed

Discussion

Referring to Lasswell, formulating public policy, it must be multi-method, multi-disciplinary, and problem-focused; related to mapping the contextuality of policy processes, policy options, and policy outcomes; and aims to integrate knowledge into an overarching discipline to analyze public choices and decision-making and thereby contribute to the democratization of society (Lasswell, 1951, 1968, 1970, 1971).

This theory is appropriate in assessing the Government Regulation (as emergency law) which was later passed by the DPR became Law No. 2 of 2020. This law became a legal foundation in handling the pandemic. To assess how DPR passes the law cannot be based solely on a legal perspective, for example, this law is said to have the potential to violate the constitution in terms of determining the state budget. This is related to the Government's power in determining the state budget which reduces the authority of the DPR, and legal immunity, and is related to state financial losses. Meanwhile, there is a health emergency situation that requires quick decision making by the government in determining the state budget. A strong legal basis for decision-making in emergency situations, in accordance with a multi-method, multi-disciplinary orientation and focusing on problems at once.

Meanwhile, when referring to the characteristics of public policy, as stated by Dye (2017), it is the study of what the government does, why they do it, and what differences it makes. Dye emphasized that public policy can also be seen as the preferences and values of elite groups in government. Elite theory states that society is apathetic and lacks information regarding public policy.

Dye's skeptical view of elitist public policy is understandable. However, in terms of policy formulation to deal with the COVID-19 pandemic, what is happening is an attitude of mutual respect between the fiscal authority, monetary authority, and the DPR as an integrator. In the case of the Covid-19 pandemic, the distance between the elite and the people is not felt. The perceived health impacts can affect anyone, which is why there is a strong feeling that the Indonesian nation is facing the pandemic together. This intensity of cooperation brings the fiscal authority and monetary authority to not only coordinate but become integrated.

The ratification of Government Regulation Number 1 of 2020 into law also needs to be viewed from the perspective of economic efficiency as stated by Kaldor-Hicks, who stated that an action can be said to be efficient if the reallocation that arises can produce more benefits to the party who benefits than to the party who is harmed. Reallocation in this context can be interpreted financially, as reported by Bisnis Indonesia (2021), namely the implementation of budget refocusing from Transfer Funds to Regions and Village (TKDD) for the 2021 budget year which runs through the use of Revenue Sharing Fund (DBH)/ Sharing Funds to support health care, health social security and economic recovery. The TKDD allocation for the 2021 fiscal year is IDR 780.48 trillion. There is a minimum use of 8% of the General Allocation Fund (DAU) for COVID-19 vaccination and incentives for regional health workers. Efforts to accelerate budget absorption by utilizing the regional government budget. The funds are used to help the community, Small and Medium Enterprises (SME) and handle COVID-19.

There is no concrete quantitative data on the losses incurred as a result of the implementation of this budget reallocation and refocusing. The losses are qualitative in nature, namely the difficulty for the city government to implement programs that have been planned from the start. Moreover, there are budget allocations that have been locked, such as 10 percent for health and 20 percent for education. Apart from that, there are concerns about the legal impact for regional officials in carrying out this reallocation and refocusing, so the importance of clarity in legal protection for regional officials in planning and using the budget is emphasized.

Conclusion

Based on the results of the analysis above, the following conclusions can be drawn:

a. The role of the DPR in integrating monetary and fiscal policies through burden sharing policies during the Covid pandemic is to provide legal certainty, through approval of the Government Regulation (as emergency law) proposed by the President. The Government Regulation is a legal instrument to accommodate the financing needs of the National Economic Recovery program, due to the growing fiscal deficit.

b. The policy mix most often mentioned is monetary policy which accommodates large fiscal financing needs due to widening fiscal deficits. The DPR's role in integrating these two policies continues and to prioritize Central Bank independence.

c. Sustainability of fiscal space is the issue most frequently mentioned in connection with the monitoring and evaluation mechanism by the DPR. This refers to the impact of expansionary fiscal policy which causes an increase in debt which affects fiscal space.

d. There are similar policies between Indonesia and India and Korea, where all three provide stimulus to the MSME sector. Apart from that, there are similarities in the integration of fiscal & monetary policies and the formation of emergency law.

This research obtained a new finding, namely the collaboration format between fiscal policy and monetary policy. Theoretically, collaboration between fiscal policy and monetary policy is carried out in the context of coordination. This is because in principle the fiscal authority and monetary authority are in different areas, and both are independent of each other.

In implementing the burden-sharing policy to face the COVID-19 pandemic, the integration of steps between the two policies was very intensive. Policy mix formulation, monitoring, and evaluation mechanisms for the integration of fiscal policy and monetary policy are carried out periodically in the DPR. The results of interviews with fiscal authority holders, monetary authorities, and several economists show how they assess the important role of the DPR in uniting fiscal policy and monetary policy in one solid step. The role of the DPR is especially crucial in providing legitimacy for the purchase of SBN by Bank Indonesia as the monetary authority, through approval of Government Regulation No. 1 of 2020 so that it becomes the basis for legislation in Law No. 2 of 2020.

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