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Global Health Security

COVID-19 & Its Impacts: Is Indonesia Ready?

By Made Ayu Mariska

SYNOPSIS

The COVID-19 outbreak is driving countries around the world into uncharted territory. With more countries applying nationwide lockdowns, home quarantine, and other restrictive measures, a global food and financial crisis is now a real possibility. Is Indonesia ready to navigate challenges of that magnitude?

COMMENTARY

WILL THERE be enough food? Indonesia is one of the biggest agrarian countries in the world, producing over 31 million tonnes of rice last year. This was still not enough to fulfil the country's demand. Indonesia needed to import more rice – mainly from Thailand – to make up for the shortfall in its staple food.

During every presidential election campaign, the topic of food security is inevitably brought into the spotlight and promises are always made that the country is prepared. The COVID-19 outbreak will test these claims to the limit.

Food Security

Food security is not determined only by a country's food resources, but also its affordability, availability, as well as its quality and safety. In Indonesia itself, the cities have stronger food security compared to the rural areas. Up until today, several areas in the archipelago still have a Low food security index including a number of districts in the provinces of Papua, Maluku and East Nusa Tenggara.

These areas are highly dependent on food supplies from other regions to meet the needs of their inhabitants as well as possessing limited access to basic clean water. In addition, the levels of poverty within the population and proportion of malnourished children is also relatively high.

In a normal situation the government can solve this problem by importing food from neighbouring countries; however during the current COVID-19 outbreak, there have been disruptions to the food supply chain. Countries like <u>Vietnam</u> have limited their export quota to secure their own food supply.

Indonesia, which is still dependent on other countries to fulfil its food demands, simply has to be more self-sustainable, and quickly. Adding more pressure to the situation, people around the world are panic-buying food and daily necessities, causing scarcity and prices of goods to spike.

The Indonesian government has ensured that there are over 1.6 million tonnes of rice secured in the Indonesian Bureau of Logistics' warehouses all over the country. Moreover, the harvest season is predicted to fall in March-April 2020, and it will add 5-7 million tonnes to the supply. The government calculated that it should be enough until the end of the first half of the year, but the big question is what will happen after that?

Why is Indonesia Not Locked Down Yet?

Applying lockdowns and isolations is an effective measure to slow down the spread of the virus that has proven far more dangerous than seasonal flu. However, it is not an instant solution which will curb the number to zero in a few weeks. It takes time and commitment to contain the virus and, although it is good for public health, it has a negative effect on the economy and food supply chain.

President Joko Widodo has implemented <u>large scale social restrictions</u> (PSBB), quarantine areas, but not strict lockdowns in the hope to maintain food supply chains and limit damage to the economy.

It is a tough situation for the government because there are significant drawbacks with every strategy, especially as Indonesia has limited resources at its disposal compared to the most developed countries, and some groups will inevitably be disadvantaged more than others.

Uneven Impact of COVID-19

While some have the privilege to prioritise their health by quarantining themselves at home, others have no other option but to keep working to earn their living, while also providing essential services and products to the population.

<u>Supermarket employees</u> are among those who are in a vulnerable position as they will more regularly be exposed to situations where they can be infected. In Indonesia itself, over 40 doctors and medical workers have died while treating the infected as the country lacks the resources to manage the pressure on its health infrastructure.

The probability of an increase in food prices is made even more concerning considering the economic fallout caused by the outbreak. To brace the country facing global recession, the government has readied <u>financial relief</u> to relieve the battered economy.

The key to the success of these economic mitigation policies, allowing the economy to be in a strong position to recover once the health crisis eventually finishes, lies in the details of the implementation.

Those who are most at risk from the COVID-19 outbreak and the recession will undoubtedly be the working class. When the economy is crashing, people who do not have the privilege to work remotely and those who rely on their non-formal jobs are at the highest risk.

Struggling companies have started to <u>lay off</u> their employees and SMEs that fail to adjust to the e-commerce-dominated market are threatened by loss of revenue as consumer behaviour shifts. The working class who are most reliant on their employers and non-permanent sources of income will bear the brunt of the COVID-19 recession and the accompanying unstable food environment.

Distrust of Central Government

It is fair to say that Indonesia is in a vulnerable position, given the government's ad hoc policies and its slow response in shielding the people as the virus was being detected in the country.

Some regions even do not place much trust in the central government as they apply local lockdowns in their areas – against Jakarta's orders for district leaders not to do so. Panic buying is another sign of distrust that there are not enough resources to get the people through this challenging time.

The combination of food shortage and economic fallout aggravate the implications for the country. Recession will increase unemployment which will lead to higher rates of poverty.

When people struggle to fulfil their daily necessities, the crime rate will also likely increase as some become more desperate. A radical loss of trust in the government could also well lead to large-scale civil unrest.

Indonesia's Options

There are some measures that the government could implement to manage, contain and deal with the impacts of the pandemic. One is to maximise alternative staple foods, such as potatoes and corn, to supplement rice in order to strengthen food security.

The government should also step up measures to protect employees engaged in food production, processing and distribution, both for their own health and that of others, as well as to maintain food supply chains by increasing sterilisation, providing masks and hand gloves, and giving compensation to workers who take sick leave.

Another important detail is to ensure that financial aid, such as <u>Bantuan Langsung Tunai</u> (Cash Transfers), reaches those who need it most. Early attempts at disbursing aid (both food and cash) have seen limited success. Given the government's <u>limited resources</u>, correcting the details promptly and speedily will determine how Indonesia emerges from the current crisis.

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