

## Economic and Political Conditions in Indonesia Post-Perspective Reform Constitution Creation Work

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**Abstract:** The 1998 reforms resulted in transformation in life nation and state. Efforts to improve done For overcome damage or deviations that occur during leadership President Soeharto in the New Order Era *The 1998 Reformation was a fundamental milestone in the history of national and state life in Indonesia, marking the end of the New Order regime and the beginning of the era of democratization. This normative legal research was conducted by examining various formal legal regulations. In 1998, the worsening economic conditions had a negative impact that was widely felt, with the people's welfare declining. Limited economic growth indicated serious challenges in achieving development and improving welfare. The Job Creation Law also illustrates how Indonesia positions itself in the global economic order. Regarding job creation, it is hoped that job creation will be able to absorb the widest possible Indonesian workforce amidst increasingly competitive competition and the demands of economic globalization.*

**Keywords :** *The New Order, Job Creation, and the Indonesian Economy*

### Introduction

The 1998 reforms resulted in transformation in life nation and state. Efforts to improve done For overcome damage or deviations that occur during leadership President Soeharto in the New Order Era. The 1998 reforms were fundamental milestones in history life nation and state in Indonesia which marks the end the New Order regime and the beginning of the democratization era. Reforms were directed For repair various deviation in state administration, in particular in field politics, economics, and law, which previously nature centralized, authoritarian, and lacking accountability. Since moment that, Indonesia experienced transformation significant through strengthening institutions democracy, decentralization power, as well as update policy better economy open and market (Bagus, 2020)-oriented.

The transformation that took place in Indonesia in 1998 was initiative For produce change and innovation, especially in repair structure life in the sector politics, economics, law, and social Besides that, economic reform also becomes focus, with effort increase transparency, accountability, and development a just economy. (Klaudia & Wartha, 2020)

In context economy, the post- Reformation era is marked with effort stabilization macroeconomics, sector reform finance, as well as improvement climate investment use push growth sustainable economy. Indonesia is relatively succeed guard stability economy and growth in two decades lastly, although Still faced with problems structural like inequality economy, low productivity power work, and complexity regulations that hinder investment condition This show that development economy post- Reformation no only related with achievements growth, but also with quality policy and governance economy. (Nasional/Bappenas, 2019)

Temporary that, from side politics, Reformation has open room participation more public wide through system multiparty, elections more general democratic, and

strengthening freedom civil. However, consolidation Indonesian democracy is still face challenge serious, including practice oligarchy, weakness enforcement law, as well as trend pragmatism political in the manufacturing process public policy. (Hadiz, 2018) With Thus, development economics and politics post- Reformation shows complex dynamics, where achievements democratization and development economy walk side by side with various contradictions and challenges new.

Job Creation Law Work expected capable give effect positive for public like climate investment conducive that will absorb more Lots field jobs, growth an increasing and proportional economy straight with decrease unemployment, worker productivity increase. If the goals from the Job Creation Law Work achieved so will give significant effect to growth economy, climate investment conducive and field Work increased. This is due to the Copyright Act Work with the method is simple, fast, and covers a number of complete sector considered capable represent a number of aspect important which is need public like aspect employment, convenience business and economy. (Novanto & Herawati, 2022) Leave from background behind problem above, then study This Study This aim For to describe How development Indonesia's economy and politics after the Reformation? And How Constitution Creation Work reflect policy post- Indonesian economy and politics Reformation?

## **Method**

Method study This is one of the factor important in writing or compilation work writing that is scientific for study and analysis to object studies can done with correct and optimal research needed something the right method is really needed understanding by the author the method applied aim For give results research of a nature scientific so that the analysis carried out to studies can be accounted for answer Study law is a process for determine rule laws, principles law and doctrines law use answer issue the law that is being faced. Research This use type study juridical Normative (*legal research*) type study This juridical Normative done with method study various rule law of a legal nature formal like laws , related regulations with the issues discussed. This is where needed ability For identify problem law, do reasoning law, analyzing problems encountered and then give solution on issue law the. (Marzuki, 2017)

## **Results and Discussion**

### **Economic and Political Development in Indonesia Post- Reformation**

In 1998 Condition worsening economy the cause impact perceived negative in a way wide, with declining public welfare. Limited economy its growth indicates challenge Serious in reach development and improvement welfare. Growth limited economy since 1998 created conditions in which income per capita tend worsening, giving description about difficulty economic problems faced by the Indonesian people.

Important For take notes that condition difficult economy post crisis monetary the play role important in the context of the 1998 Reformation. The Reformation did not only involving change in structure politics and order government, but also involves effort For overcome crisis crippling economy. Economic reform become an integral part of effort For return stability economy, improve growth economy, and improve welfare public.

After the 1998 Reformation, Indonesia experienced development significant economic growth, which reflects change in approach policy economic and the uncertainties faced by the country's economy. The progress sector economy marked with the beginning collaboration with Monetary Fund International For support effort recovery economy. Besides that, there is easing supervision towards mass media and increasing freedom express

yourself. In context economy, success done decline mark rupiah exchange rate against dollar, which is still is at in range of Rp. 10,000 – Rp. 15,000. (Siahaan & Rambe, 2025)

Early 1998, there was crisis politics in Indonesia that influence legitimacy results elections and the Habibie administration. Amendments to the 1945 Constitution were made , bringing change significant like election president directly by the people, formation Development Reform Cabinet, and others. Habibie resigned self after speech accountability rejected in October 1999. The MPR changed the procedures election president and appointed Abdurrahman Wahid as President Wahid's government came to a halt after Buloggate I and absence in accountability, so that Megawati Soekamoputri become president through MPR Decree. Democratization continue with election 2004 general election, elected Susilo Bambang Yudhoyono as Presidential Election head area direct held start 2005. (Budianto, 2016)

System democracy and policy political like This should experience evolution to front. Required change Because adoption to system This need repair systemic which includes three aspects, namely strengthening public civil, improvement system election president, and simplification structure party politics In context development political post- reformation, efforts change This expected can bring impact positive in increase quality democracy in Indonesia. There is a need for civil society groups to help build democratic traditions and public civility, and to act as a counterbalance and check on the state in the post-colonial era. the reformation event in 1998, the Indonesian government carried out a number of change in regulation legislation. Changes This in line with political the law that is taken, namely For realize democratic and upholding government tall right basic man. (Atthahara, 2017)

When we speak development politics is very difficult We differentiate development political with development political That happen gradual and long - lasting while development political change in a way fast from the less Good become more good. Development political tend slow But development sustainable and continuous continuously with This After the reform, the system Indonesian politics is experiencing significant change. The role of the people in system political become more big, visible from existence election general For choose members of the People's Representative Council (DPR), Regional People's Representative Council (DPRD), Regional Representative Council (DPD), and heads of area in a way directly. With existence distribution more power wide, the people have more opportunities big For participate in the political process. However, this This Not yet utilized optimally by the people in the region. Many people in the region have not understand that distribution power is chance For build area. On the other hand, the distribution the power that exists in the region precisely often used by officials For do corruption. (Komara, 2015)

Condition This show that while the reforms provide progress in democratization, still There is challenge related education politics and eradication corruption that needs to be overcome For reach system more politics transparent, accountable and empowered compete at the level area. Therefore that, development awareness public to importance distribution power and effort together in eradication corruption become essential in face dynamics political post- reformation. In road time Post- reformation, development politics in Indonesia shows significant transformation. Post - reform development politics, namely the people are freed in opinion, enthusiasm and participation public in field political the more high, one of them in formation parties new, existence repair in Basic Rights Human (HAM) autonomy area starting to be implemented in Participation or people's involvement is the main basis democracy, related with meaning basically as the people. Without participation active, a democratic country moonshine mere. What can become because A participation tall is quality aspirations. Aspirations as channel main democracy, giving method for implementer

mandate ( government ) to implement policy in accordance with will give people's mandate. (Erlina, 2023)

### **Constitution Creation Work Reflect Indonesia's Post- Reformation Economic and Political Policies**

Since the Reformation, Indonesia has consistent promote structural reforms For increase Power competition economy and investment. Job Creation Law Work positioned as runway necessary structural reform laws For modernize regulations business and bureaucracy are assessed overlapping overlap as well as slow, which in turn expected can speed up growth and creation field Work new . Government in a way explicit state that this law aim to “carry out structural reforms and accelerate transformation economy”, including simplification permits, requirements investment and convenience try For various perpetrator business. Job Creation Law Work also contains a number of clusters that include various aspect regulations start from licensing until empowerment of MSMEs and regions economy. Goal main thing that often put forward is create climate efficient, transparent and competitive business For increase investment and growth economy. With Thus, this law viewed as embodiment from policy strategy an economy that strives balance market openness with need development national. (Az-Zahra & Pinem, 2025).

Job Creation Law Work also describes how Indonesia places self in order global economy. Regulation This in line with government strategy For strengthen position competitive Indonesia in the midst global pressures, including regional competition in interesting investment and facing challenge economy with this strategy reflected in emphasis on creation field work, fintech support, MSME empowerment, and involvement government in strengthen structure economy to be more responsive to global uncertainty. With simplify rule permits and procedures efforts, Indonesia is trying increase its integration with the global market at once mitigate risk from various uncertainty global economy. (S, 2021)

In a way politics, formation of the Copyright Law Work show shift in dynamics connection between government, parliament and society civil. Method *omnibus law*, although praised Because his abilities unite a number of big regulations in One instrument comprehensive law, also reaps criticism related legitimacy of the legislative process. Approach This cause question in context democracy deliberative because of the formulation process relatively fast and structured in a way technocratic, sometimes viewed reduce room participation more public wide. In political law show that the formation of this law involving consideration political strategic that prioritizes efficiency and effectiveness the above regulations mechanism consultation more public inclusive. Perspective theory *responsive law* describe How government operate in framework responsive law to need economy, but potential ignore principle legitimacy democratic involving participation various stakeholders interest. (Febriana, Setiadi, & Thohari, 2025)

Aspect employment is one of the the most controversial component in Constitution number 6 of 2023. Government emphasize that this reform will help create environment more work flexible and capable respond fast market demand changed . However, some workers and organizations laborer consider change That can weaken protection power work, especially in matter wages, contracts work, and employment standards. Meanwhile side government emphasize that Constitution This will create more Lots field work and improve chance Work productive in the middle challenge economics, criticism come from the viewing group potential exploitation and reduction right worker as threat to welfare power work. Debate This reflect tension between growth agendas economy and protection social in framework neoliberal policies. (Fauzi & Sari, 2025)

## Conclusion

With There is Constitution number 6 of 2023 concerning determination regulation government replacement Constitution number 2 of 2022 concerning creation Work that with job creation expected capable absorb power Work Indonesia as wide as possible in the midst of increasing competition competitive and demanding globalization economy as well as existence challenge crisis global economy that can cause disturbance economy national with This objective creation Work create and improve field Work with give convenience, protection and empowerment to cooperatives and MSMEs as well as industry and trade national For progress between area in unity economy national

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