

Public Policy Implementation and Social Justice in Indonesia: Challenges, Governance Gaps, and Reform Strategies

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Abstract

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This study examines the challenges in implementing public policies aimed at achieving social justice in Indonesia, despite the nation's strong ideological and constitutional foundations. Persistent issues such as high unemployment, poverty, and social-economic inequality remain significant obstacles. Limited employment opportunities, particularly in rural and underdeveloped regions, are compounded by the impacts of global economic fluctuations, inflation, and crises such as the COVID-19 pandemic. Mental health problems, often overlooked in policy planning, further hinder societal well-being and productivity. Internal governance weaknesses, including poor inter-agency coordination, corruption, and inaccurate data, contribute to ineffective policy implementation and misallocation of resources. From a normative juridical perspective, there is a clear gap between constitutional mandates, such as those enshrined in Articles 27(2) and 33 of the 1945 Constitution, and actual practice. The study concludes that reducing socio-economic inequality requires governance reform, enhanced state capacity, stronger oversight mechanisms, and active public participation to ensure evidence-based, equitable, and sustainable policy outcomes.

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1. Introduction

Social justice is one of the fundamental principles in the life of the nation and state of Indonesia. As a mandate from Pancasila, especially the fifth principle, and the 1945 Constitution of the Republic of Indonesia (UUD 1945), social justice embodies the creation of equal rights and opportunities for all citizens, regardless of background, social status, or economic conditions. In this context, social justice is not only limited to the legal dimension but also includes interconnected social, economic, and political aspects. The goal is to build a just, prosperous, and peaceful society, where there is no discrimination or oppression against certain groups. The realization of social justice in Indonesia requires the support of appropriate public policy instruments. Public policy serves as a means for the state to regulate the distribution of resources, guarantee the protection of citizens' rights, and improve overall social welfare. With effective and well-targeted policies, the government can ensure equitable development and protection for vulnerable groups. However, achieving this goal often faces significant challenges in its implementation.

The COVID-19 pandemic, which struck in late 2019, became one of the greatest tests for the country in maintaining social justice. The impact of the pandemic was not only felt in the health sector but also significantly affected the national economy. Unemployment rates increased, poverty grew, people's incomes declined, and the mental health crisis spread.¹ This situation exacerbated the pre-

¹ Lola Kola, Brandon A. Kohrt, Charlotte Hanlon, John A. Naslund, Siham Sikander, Madhumitha Balaji, Corina Benjet et al. "COVID-19 mental health impact and responses in low-income and middle-income countries: reimagining global mental health." *The Lancet Psychiatry* 8, no. 6 (2021): 535-550.

existing socio-economic inequality, especially between the wealthy and vulnerable communities. The difference in the ability to survive during this crisis showed a real gap in the distribution of resources and access to economic opportunities. One of the factors that complicates efforts to alleviate inequality is the ineffectiveness of public policy implementation. The causes include limited resources, weak coordination between institutions, inappropriate policies, local political dynamics, corrupt practices, and low data accuracy. As a result, although policies are designed to reduce socio-economic gaps, the results achieved often deviate from the goals and even have the potential to worsen the problem. This indicates the need for fundamental reform in the governance of public policy in Indonesia.

Constitutionally, the principle of social justice is clearly regulated in Article 27 paragraph (2) and Article 33 of the UUD 1945. Article 27 paragraph (2) affirms the right of every citizen to obtain work and a livelihood worthy of humanity, while Article 33 regulates the national economy based on the principle of a family system and controlled by the state for the greatest prosperity of the people. These two articles provide a strong legal basis for the state to formulate and implement just economic policies, including through fiscal policies such as the application of progressive taxes as an instrument of equity. Progressive fiscal policy is one of the strategies that can be used to reduce socio-economic inequality. By setting a higher tax rate for those with large incomes, the state can collect funds which are then allocated to social programs, public infrastructure, and economic empowerment of small and medium-sized communities. This approach is in line with the principle of wealth redistribution for the common welfare, as mandated in the UUD 1945.

However, future challenges lie not only in policy formulation but also in the aspects of implementation and supervision. The transparent, accountable, and data-driven implementation of fiscal and social policies is key to success. Without a strong oversight mechanism, good policies on paper can fail in the field. Therefore, this research focuses its analysis on the relationship between the principles of social justice, public policy, and the constitutional legal basis, with the aim of providing more effective policy recommendations to reduce socio-economic inequality in Indonesia. By using a normative juridical approach, this study will analyze applicable legal norms, including constitutional principles, to assess the extent to which current public policies are in line with the concept of social justice.

2. Literature Review

Social justice has been one of the fundamental principles in the administration of the Indonesian state since its independence. In the context of Pancasila, especially the fifth principle, social justice includes the fulfillment of the basic rights of every citizen equally without discrimination. According to Levin,² social justice is the ideal goal of the state that includes a balance between material and spiritual aspects. This is reinforced by Article 27 paragraph (2) and Article 33 of the UUD 1945, which affirm the right of citizens to a decent livelihood and an economy based on a family system for the prosperity of the people. Moroni,³ divides the principle of social

² Lia Levin. "Rethinking social justice: A contemporary challenge for social good." *Research on Social Work Practice* 30, no. 2 (2020): 186-195.

³ Stefano Moroni. "The just city. Three background issues: Institutional justice and spatial justice, social justice and distributive justice, concept of justice and conceptions of justice." *Planning Theory* 19, no. 3 (2020): 251-267

justice into three dimensions: justice based on rights, justice based on services, and justice based on needs. These principles provide a conceptual framework for the state to design just public policies. Public policy, as stated by Gao and Yu,⁴ functions as a strategic government instrument to solve social problems, regulate the distribution of resources, and maintain public order.

The COVID-19 pandemic has become a real test of the resilience of public policy in Indonesia. A study by Buheji,⁵ shows that the pandemic exacerbated socio-economic inequality, with a greater impact felt by poor and vulnerable groups. This is in line with Martin's,⁶ findings which assert that global crises often widen income disparities. In addition, corrupt practices, weak coordination between institutions, and inaccurate data have become major obstacles to the effective implementation of public policy. From the perspective of constitutional law, the government has the authority to take extraordinary measures in a state of emergency, as explained by Ginsburg and Veerdesteg,⁷ in the concept of constitutional emergency law. However, the exercise of this authority must still be based on the principles of democracy, justice, and respect for human rights.

⁴ Xiang Gao and Jianxing Yu. "Public governance mechanism in the prevention and control of the COVID-19: information, decision-making and execution." *Journal of Chinese Governance* 5, no. 2 (2020): 178-197.

⁵ Mohamed Buheji, Katiane da Costa Cunha, Godfred Beka, Bartola Mavric, Y. L. De Souza, S. Souza da Costa Silva, Mohammed Hanafi, and T. Chetia Yein. "The extent of covid-19 pandemic socio-economic impact on global poverty. a global integrative multidisciplinary review." *American Journal of Economics* 10, no. 4 (2020): 213-224.

⁶ Ron Martin. "Rebuilding the economy from the Covid crisis: time to rethink regional studies?." *Regional Studies, Regional Science* 8, no. 1 (2021): 143-161.

⁷ Tom Ginsburg and Mila Versteeg. "The bound executive: Emergency powers during the pandemic." *International Journal of Constitutional Law* 19, no. 5 (2021): 1498-1535.

One of the important instruments in overcoming socio-economic inequality is progressive fiscal policy. According to the theory of redistribution, progressive taxes allow the state to attract greater contributions from high-income groups, which are then allocated to social programs such as social assistance, education, and health. The importance of social security programs such as the *Kartu Indonesia Pintar (KIP)* and the *Jaminan Kesehatan Nasional (JKN)* in supporting social justice. Previous literature shows a gap between the legal framework and implementation in the field. Although normatively public policy in Indonesia has incorporated the principle of social justice, in practice there are still challenges that hinder the achievement of that goal. This research is here to analyze the connection between the constitutional legal basis, public policy, and the effectiveness of its implementation in reducing socio-economic inequality, especially in the post-pandemic context.

3. Method

This research uses a qualitative method with a normative juridical approach combined with an in-depth analysis of the socio-economic context. The normative juridical approach was chosen because it can provide a systematic analytical framework for examining and reviewing laws and regulations, legal principles, constitutional principles, and relevant doctrines related to the issues of social justice, public policy, and constitutional law. The main focus of the analysis is directed at the legal norms contained in the 1945 Constitution of the Republic of Indonesia, organic laws, and various government policies that are directly or indirectly related to efforts to reduce socio-economic inequality in society.

The research data sources consist of three categories of legal materials. First, primary legal materials which include the UUD 1945, laws governing public, fiscal, and national development policies, and their implementing regulations in the form of government regulations, presidential regulations, and ministerial regulations. Second, secondary legal materials which include scientific books, reputable academic journals, research reports, scientific articles, and writings that discuss the issues of social justice, public policy, and constitutional law. Third, tertiary legal materials in the form of legal dictionaries, encyclopedias, and other reference sources that help clarify the definitions of terms and concepts used in this research.

Data collection was carried out through library research by critically examining legal documents, previous research results, and relevant academic literature. The process of tracing sources was carried out comprehensively in print and online media, including by utilizing international and national journal databases whose credibility is recognized. Furthermore, data analysis was carried out descriptively-analytically, namely by presenting applicable legal norms, comparing legal theory and the principle of social justice with policy implementation practices in the field, and evaluating the level of suitability of public policies with the principles of social justice and constitutional mandates.

The research stages include problem identification to formulate the main issues regarding socio-economic inequality and the effectiveness of public policy, normative study of relevant legal provisions, especially Article 27 paragraph (2) and Article 33 of the UUD 1945, analysis of public policy implementation in relation to the principle of social justice, and the formulation of applicable law-based

recommendations to reduce socio-economic inequality. With this approach, the research is expected to provide results that are not only theoretical, but also have practical implications that are useful for the formulation and refinement of policies by decision-makers in Indonesia.

4. Results

4.1. Implementation of Public Policy in Achieving Social Justice Based on Pancasila and the UUD 1945

The implementation of public policy as an instrument for achieving social justice in Indonesia cannot be separated from the philosophical basis of Pancasila and the constitutional basis regulated in the *Undang-Undang Dasar 1945 (UUD 1945)*. Social justice is the fifth principle of Pancasila which contains the meaning of equitable rights, opportunities, and welfare for all Indonesian people without discrimination, whether based on ethnicity, religion, race, or socio-economic background. This meaning affirms that every citizen has the same position in obtaining the benefits of development and enjoying the results of economic progress.

In a constitutional context, Article 27 paragraph (2) of the UUD 1945 guarantees the right of every citizen to obtain work and a livelihood worthy of humanity, which means the state has an obligation to ensure the availability of adequate employment and humane working conditions. Meanwhile, Article 33 of the UUD 1945 regulates the principle of a national economy based on the family system with the control of important production branches by the state for the greatest

prosperity of the people. This principle emphasizes that the management of strategic resources should not only be oriented towards the benefit of a handful of parties, but must be directed towards the common interest of all Indonesian people.

In practice, public policies aimed at realizing social justice are implemented through various instruments, including fiscal policy, labor sector regulations, social protection programs, and equitable economic development between regions. One prominent instrument is fiscal policy, especially the application of progressive taxes, where the tax rate is set higher for high-income groups. The goal is to distribute income more fairly while providing a source of funding for public service programs. The allocation of state spending sourced from tax revenues is directed at strategic sectors such as education, health, infrastructure, and community economic empowerment. This policy, if implemented correctly, is a concrete manifestation of the principle of equity contained in Pancasila and the UUD 1945.

However, the effectiveness of public policy in achieving social justice is often hampered by various structural and operational constraints.⁸ Coordination between government agencies is often not optimal, so the programs that have been designed do not reach their targets maximally. In addition, the quality of data used in the policy formulation process is often inaccurate, out of date, or not well integrated, so the resulting policies are less responsive to the actual needs of the community. Another influential factor is political dynamics, both at the central and regional levels, which

⁸ Ichsan Anwary. "Evaluation of the effectiveness of public administration policies in the development of stringent legal framework: An analysis of the criminal justice system in Indonesia." *International Journal of Criminal Justice Sciences* 17, no. 2 (2022): 312-323.

are sometimes characterized by tug-of-war for the interests of certain groups. This condition can cause policy implementation to deviate from its initial goal, namely equitable welfare and poverty alleviation.

Nevertheless, there are a number of successes that can be noted from the implementation of public policy in efforts to reduce social inequality. Social security programs, such as *Badan Penyelenggara Jaminan Sosial Kesehatan (BPJS Kesehatan)* and *Badan Penyelenggara Jaminan Sosial Ketenagakerjaan (BPJS Ketenagakerjaan)*, have provided basic protection for the community. Direct cash assistance and other social assistance programs help the poor meet basic needs. In the education sector, scholarship programs and school operational assistance have increased access to education for children from underprivileged families. In addition, infrastructure development in underdeveloped, remote, and border areas has opened up new economic access that has the potential to encourage the growth of these regions.

These successes show that when public policies are formulated based on valid data, supported by good coordination between institutions, and run by honest officials, the impact on reducing socio-economic inequality can be significant. However, to achieve sustainability, periodic evaluation and policy adjustments are needed in accordance with the constantly changing socio-economic dynamics. Thus, it can be concluded that public policy has great potential as an instrument for achieving social justice in Indonesia. The success of its implementation is highly dependent on the quality of policy formulation, the accuracy of the target, coordination between institutions, and the integrity of the implementers in the field. The effort to realize social justice is not enough just to rely on a strong legal

framework, but also requires consistent political commitment, active community participation, and effective oversight mechanisms so that the principles of social justice contained in Pancasila and the UUD 1945 are truly realized in real life.

4.2. Challenges and Obstacles to Policy Implementation in Reducing Socio-Economic Inequality

Although Indonesia has a strong ideological and constitutional basis for guaranteeing social justice, the implementation of public policy in the field still faces various complex challenges. One of the biggest challenges is the high level of unemployment and poverty which directly impacts the widening socio-economic gap. The limited availability of jobs, especially in rural areas, underdeveloped regions, and border areas, makes it difficult for many people to earn an adequate income to meet their basic needs. This condition is further exacerbated by the decline in people's purchasing power due to inflation, fluctuations in the price of basic necessities, and changes in the global economic climate. The impact of crises, such as the COVID-19 pandemic, has shown how vulnerable the national economy is to unforeseen external shocks.

In addition to economic obstacles, a mental health crisis has also emerged that is increasingly prominent and has a wide-ranging impact on social welfare.⁹ Life pressure caused by economic burdens, job uncertainty, and increasing social inequality creates psychological distress that affects productivity, family stability, and social cohesion. Ironically, this aspect of mental health is still rarely the main focus

⁹ Martin Knapp and Gloria Wong. "Economics and mental health: the current scenario." *World Psychiatry* 19, no. 1 (2020): 3-14.

in public policy planning, even though it has a long-term impact on the quality of human resources and sustainable development.

Internal factors within the government also contribute to the ineffectiveness of policy implementation. Weak coordination between institutions causes overlapping programs, budget waste, and loss of effectiveness of policy interventions. The problem of corruption that still occurs at various levels of government further worsens the situation, because the budget that should be used to improve the welfare of the people is instead diverted for personal or group interests. Inappropriate policies are often the result of a hurried formulation process, minimal in-depth study, or a lack of public participation in the decision-making process.

Another fundamental problem is the inaccuracy of data used for policy planning. Without valid, accurate, and up-to-date data, it is difficult for the government to set policy priorities and determine resource allocation effectively. As a result, the programs that are run often do not match the real needs of the community, and can even lead to dissatisfaction and rejection from the public.¹⁰

From a normative juridical perspective, these various problems reflect a significant gap between the legal norms contained in the UUD 1945 and the practice of policy implementation in the field. Article 27 paragraph (2) of the UUD 1945 clearly guarantees the right of every citizen to obtain work and a decent livelihood for humanity, while Article 33 regulates the principle of a just national economy with

¹⁰ Lara B Aknin and Ashley V. Whillans. "Helping and happiness: A review and guide for public policy." *Social Issues and Policy Review* 15, no. 1 (2021): 3-34.

the control of important production branches by the state for the prosperity of the people. However, these constitutional provisions have not been fully implemented consistently and effectively.

These challenges show that efforts to reduce socio-economic inequality through public policy are not enough just to adhere to existing legal norms. Government governance reform that is more transparent and accountable, increasing the capacity of state apparatus to be able to formulate and implement evidence-based policies, and strengthening oversight mechanisms to prevent deviations and corruption are needed. Active community participation, both in the process of policy formulation and evaluation, is also a crucial factor to ensure that policies truly address public needs. Without these strategic and measurable steps, the great potential of public policy as a main instrument for achieving social justice will be difficult to realize optimally, even though Indonesia has a very strong legal and ideological basis.

5. Discussion

The results of this study show that the implementation of public policy in Indonesia has a strategic role in realizing social justice as mandated by Pancasila and the UUD 1945. However, the positive achievements that exist are still accompanied by various obstacles that result in the benefits of the policy not being fully felt evenly by all levels of society. This discussion focuses on an in-depth analysis of the factors that influence the effectiveness of policy implementation, the relationship between

legal norms and practices in the field, and the strategies that can be taken to strengthen the function of public policy as an instrument of welfare distribution.

One of the important findings is the existence of a wide enough gap between the normative basis and policy implementation.¹¹ Pancasila, especially the fifth principle, as well as Article 27 paragraph (2) and Article 33 of the UUD 1945, have established the principles of equity and justice that should be the guidelines for all public policies. However, in reality, implementation is often influenced by limited resources, inappropriate planning, and the intervention of political interests. This shows that the existence of strong legal norms does not automatically guarantee effective implementation without being accompanied by good governance.

In addition to internal government factors such as weak coordination and corrupt practices, external factors such as global economic conditions, climate change, and technological developments also affect the success of public policy. Rapid changes in global economic patterns can affect the competitiveness of national industries and demand responsive policy adaptation. Meanwhile, technological developments present opportunities for efficiency and transparency, but also require large investments in digital infrastructure and community literacy. This discussion also highlights the importance of accurate and up-to-date data as the basis for policy formulation. Without valid data, the government risks setting priorities that do not match the real needs of the community, so programs become ineffective or even counterproductive. Therefore, strengthening the national

¹¹ Muhammad Abdullahi and Nooraini Othman. "Bridging the gap between policy intent and implementation." *Journal of Science, Technology and Innovation Policy* 6, no. 1 (2020): 24-33.

information and database system is an important step that must be taken immediately.

Furthermore, public participation in the process of policy formulation and evaluation is key to ensuring that the policy truly represents the interests of the community. Public consultation mechanisms, information openness, and the involvement of civil society organizations can strengthen the legitimacy of the policy and reduce the potential for abuse of authority. Thus, public policy can be more oriented towards real needs, not just on political agendas or administrative targets. From a normative juridical point of view, the challenges faced show the need for structural reform in the legal and governmental system. Harmonization of regulations, consistent law enforcement, and protection of vulnerable groups are prerequisites for ensuring that the principle of social justice is truly realized. The integration between legal principles, political commitment, and the technical capacity of policy implementers is a combination that determines the success of public policy implementation in Indonesia.

6. Conclusion

Based on the results of the research and discussion, it can be concluded that public policy in Indonesia has great potential to realize social justice in accordance with the mandate of Pancasila and the UUD 1945. The normative principles contained in the fifth principle of Pancasila and Article 27 paragraph (2) and Article 33 of the UUD 1945 have provided a clear direction for the formulation and implementation of policies. However, the realization of these principles is still

constrained by various factors, both internal and external, which hinder the equitable distribution of welfare. The success of public policy implementation is highly dependent on the quality of planning, coordination between institutions, the integrity of state apparatus, and active community participation. Government governance reform, strengthening data systems, and transparent oversight are crucial steps to overcome existing obstacles. With a strong political commitment, community support, and effective implementation mechanisms, public policy can become the main instrument in reducing socio-economic inequality and realizing the ideal of social justice for all Indonesian people.

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