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Reconstruction of the national economy post-covid-19 pandemic: Critical study of tax reforms in Indonesia

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Abstract: Health, education, tourism, industry, public services, and the economy were all negatively impacted by COVID-19-related government actions. Consequently, they affected the economy. The state's existence is required to alleviate the adverse consequences of COVID-19. Government activities in the tax sector are crucial to the nation's economic development. The government accomplishes this in taxation by providing tax incentives and relief, as specified in tax regulations. Following the COVID-19 pandemic, this report assesses the Indonesian government's economic recovery taxing strategies. The research employs the paradigm of Critical Legal Theory and the Socio-Legal research technique. The study results indicate that COVID-19 has affected virtually every industry in Indonesia, not simply the health sector. The coronavirus pandemic severely hit the economic sector with only 2.97% growth. The government's tax policy for economic recovery due partly to the COVID-19 Pandemic is executed using tax instruments that provide incentives and various tax payment reductions to encourage the economy. Generally speaking, tax incentives have a favorable impact on the success of this method for giving tax relief and tax incentives as part of the National Economic Recovery programme. Taxpayers have a favourable opinion of incentive programmes. Taxpayers that take advantage of tax benefits have, on average, more extraordinary local sales performance, exports, turnover, local purchases, and imports. However, this tax incentive programme has led to a decline in state tax

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PUBLIC INTEREST STATEMENT

The efforts that have been made to criticise government policies on taxation are the primary topic of this study. This study focuses on efforts to criticise government tax policies in the context of economic recovery following the COVID-19 pandemic, notably in Indonesia. The study was conducted in Indonesia. Therefore, research can contribute input to the Indonesian government, particularly regarding the development of policies in the field of taxation in the context of effective and efficient economic recovery following the COVID-19 epidemic. In addition, the results of this research can provide governments in other countries with a reference point to use when formulating policies that are comparable to those found in this study.

revenue. The government must accept this risk to fulfil its objective of stimulating the economy.

Subjects: Contract Law & Tort; International Trade & Economic Law; Socio-Legal Studies - Public Policy; Public Law; LocalGovernment Law; Administrative Law

Keywords: tax policy; tax law; COVID-19 pandemic; incentives and relaxation; National Economic Recovery

1. Introduction

COVID-19 is a life-threatening disease and has changed uncountable aspects of human life (Jamshed, 2021). Besides being a global phenomenon of unprecedented scale, the COVID-19 pandemic is becoming a personal experience with far-reaching effects, especially economically (Shapoval et al., 2021). A higher negative impact on global economic growth in 2020 will be witnessed as a result of the pandemic than in nearly a century. The outbreak of the COVID-19 pandemic has been an unprecedented challenge to the global economy, health, and the rule of law. On 30 January 2020, The World Health Organization (WHO) declared the COVID-19 outbreak as the "Sixth Public Health Emergency Services (SPHEC)" (Jamshed et al., 2020).

Consistent with projections, the COVID-19 Pandemic slowed global GDP growth to an annual pace of roughly −3.2% in 2020 (Abuselidze & Mamaladze, 2020). Most predictions about the severity of the 2020 economic slump were wrong, largely thanks to the Government's fiscal and monetary measures. The global economy had a sharp slowdown in the second quarter of 2020, but growth rebounded strongly by the end of the year. The global economy is feeling the effects of the slump more and more, despite signs that it is beginning to ease. In particular, the global economy is still feeling the effects of the prolonged health crisis, which might have far-reaching and long-lasting repercussions (Onyeaka et al., 2021).

The Government's fiscal and monetary policies are inextricably linked to the failure to foresee the global economic slump. As a result of the pandemic, the Government must spend massive sums of money on healthcare-related concerns like providing healthcare, vaccinating the populace, and subsidising the economy in numerous ways. Conversely, limitations, like those imposed on permitted actions, must inevitably be imposed (Sapulette & Santoso, 2021). Undeniably, limiting these activities will have a regional and global economic impact (Oldekop et al., 2020). If there is a breakdown in the distribution of commodities, production will drop while consumption will rise, causing a downward spiral for the economy. Limitations hit the tourism industries of countries that rely heavily on international visitors, the worst on travel between nations. The export-import-dependent nations have suffered the most during the previous two years due to the COVID-19 pandemic (Barbero et al., 2021).

What happened with the COVID-19 pandemic was catastrophic. Few nations are immune to the resulting economic recession (Timmis & Brüssow, 1986–1996). The World Bank predicts that economies in developing nations will be hit hard by the global recession brought on by COVID-19, particularly those that rely on international commerce, tourism, commodity exports, and remittances from overseas. In particular, each government's success rests on its ability to implement effective policies that increase the population's prospects of survival and recovery. There has been talk about the critical importance of fiscal and monetary policies in these times (Nicola et al., 2020).

The Government's fiscal policy is crucial in combating the COVID-19 Pandemic. State income has dropped due to the economic stagnation of its population, and the Government must spend enormous sums of money to deal with the outbreak. It is at this point that fiscal and monetary policy comes into play (Li et al., 2021). Tax policy is a factor that causes anxiety. At the outset of the Pandemic, the United States extended tax deadlines and reduced income taxes. The United

States government provides low-interest loans to small businesses and allows them to postpone making tax payments without incurring penalties. The COVID-19 Economic Relief and Security Act (S. 3548), which offers assistance to small businesses, direct payments to taxpayers, loans and guarantees to airlines, and other industries, was sidestepped by the Senate when it officially adopted President Trump's plans on 25 March 2020. This was done in order to circumvent the provisions of the act (Korobkov, 2022). Indonesia's National Economic Recovery programme is one example of several nations adopting these or similar programmes (Ibnu Fitroh Sukono Putra & Febrianur Ibnu Fitroh Sukono Putra, 2022).

The state's existence is crucial to counteract the adverse effects of COVID-19. The Government must step in when addressing the disparities that have arisen due to the Pandemic (Nundy et al., 2021). The Government should take action to mitigate the Pandemic's effects. In this regard, the Government can use various tax functions via the Directorate General of Taxes. To put it simply, taxes do not just fund the State Budget. Especially amid the pandemic, taxes must be able to play a significant part in giving a comprehensive boost to the National Economic Recovery, as they play a crucial role in maintaining and restoring the economy. It is envisaged that micro, small, and medium-sized enterprises (MSMEs) will be able to flourish once more with the help of tax policies designed to stimulate the economy. The Government's policies aim to achieve three goals: providing social security to those who need it, maintaining the economy's health, and ending the Pandemic (Rizos et al., 2016; Susanti & Widajatun, 2021).

No less important than the budgetary function (use of tax funds to finance state expenditures, such as during the current Pandemic for vaccine financing, COVID-19 patient care, and procurement of medical devices) is the regular function (function regulation), namely the tax function to achieve specific goals outside of the budgetary function (financial function; Djalante et al., 2020). The employment of legal tools (tax law) to regulate concerns relating to government policies in the sphere of taxes during the COVID-19 Pandemic is inextricable from this regulatory function of taxation (Munandar, 2020).

The Indonesian Government has enacted several tax policies since there were initial indicators of COVID-19's decline; nonetheless, policy flexibility is essential in the current climate (Sparrow et al., 2020). The state government must have the wisdom to understand the state's financial situation and act justly and pragmatically accordingly. During this economic recovery, the Government must prioritise its citizens' long-term interests by maintaining tax revenue and minimising the social and economic repercussions caused by the COVID-19 Pandemic (Jomo & Chowdhury, 2020). The goal of this study, which is based on the concerns that have been outlined above, is to assess the reconstruction of the national economic system following the COVID-19 Pandemic through an examination of the policies regarding tax reform in Indonesia. Based on the objectives of this study, the research questions that must be answered are: What are the Implications of Government Policy in Taxation during the COVID-19 Pandemic? And what about Policies in the Taxation Sector Post COVID-19?

2. Literature review

2.1. Taxes and their legal basis in *Indonesia*

Taxes are public contributions to the State that are based on statutory rules and are coercive and are used to finance State expenditures in pursuit of the State's objectives. The role of taxes in a nation's economy often concludes with allocation and distribution policies. Allocation policy refers to the importance of taxes to finance goods that individuals cannot provide (privately). In contrast, distribution policy focuses on taxes as a scheme for the individual's well-being in society. Historically, the tax sector has been recognised as a vital source of state revenue. State revenue derived from tax collection incurs the lowest cost relative to others, such as foreign loans (Yasa & Dahana, 2021).

Taxes are essential for any nation, as the Government would have difficulty funding its operations without them (Scharpf, 1997). This is because taxation provides essential funding for government operations. It is impossible to serve the community's needs without levying taxes, which has become an inevitable part of most people's lives. In the same way that other countries do, Indonesia uses tax money to fund the Government (Alm et al., 2001). Government spending in Indonesia, ongoing and planned, is primarily supported by taxation. There is a significant reliance on taxation to fund governmental operations, with estimates ranging from 80% to 100% (Lewis, 2006).

According to Soemitro (1987), a tax is "something that occurs because of a legislation that causes the responsibility of residents to deposit a particular amount of revenue to the state," is coercive, and serves administrative purposes. The current tax law defines tax as "a mandatory contribution paid to the state by an individual or entity, coercive in nature, based on the law, that does not receive direct compensation and is used for the purposes of the state for the greatest prosperity of the people".

In the welfare state's view, taxes are the citizens' (as owners of the state) required contribution to the state (as capital) to achieve the shared aim of creating a flourishing society by allocating resources to the greatest good of the most significant number (Hyejin, 2017). Taxes and other charges that are coercive for the objectives of the state are regulated by law, as stated in Article 23 (A) of the 1945 Constitution of the Republic of Indonesia. Taxes in Indonesia can be broken down into two broad categories, Central Taxes and Regional Taxes, depending on who has the legal right to levy their respective levies. Income tax, sales tax on high-end items and services, and stamp duty are all examples of intermediate taxes. Local levies may include but are not limited to: those imposed on gasoline, car registrations, hotel stays, meals, billboard placements, and other services (Satya & Dewi, 2010).

In his book Wealth of Nations, Adam Smith (1723–1790) proposed the tax collection theory known as The Four Maxims, which Wijaya and Arumningtias (2021) cite: Equality, precisely the idea of tax collection in which the tax imposed must be proportional to the ability (capacity to pay) and the revenue collected must also be proportional to the benefits received by taxpayers. Certainty is the premise under which tax collection is not conducted arbitrarily. Taxpayers must have clear legal clarity on the amount of tax they must pay, the period of payment, and the maximum payment duration. The determination of taxes must be transparent and conform to each country's legislation. Consequently, taxpayers who do not pay their taxes or pay them late will be subject to charges or penalties that have been clearly outlined beforehand.

Similarly, tax officials who perpetrate fraud throughout the tax collection process should face sanctions or penalties. The principle of convenience dictates that tax collection should occur conveniently for the party being taxed. For instance, taxes are collected when a person receives a paycheck. This system is known as Pay as You Earn, which can be construed as paying taxes on taxable income as earned. Economics, namely tax collecting, should be conducted effectively. This principle stresses that the quantity of tax revenue collected must exceed the cost of collecting the tax.

2.2. Taxes and their functions in the national economy

During the recent COVID-19 Pandemic, taxes were used to equalise income distribution and aid national progress. Taxes play primary roles are budget, everyday purposes, income redistribution, and stabilising purposes (Sari & Qibthiyyah, 2022). The primary role of taxes is the budgetary function, which is to deposit revenue in the state treasury for funding ongoing operations and new initiatives. The majority of a country's budget comes from taxation (Gosling, 2002).

The regulatory function is a form of taxation to accomplish goals unrelated to the financial industry. Taxes are one method by which the Government carries out and controls social and economic programmes (Surrey, 1970). To name a few examples, taxes can be used to insulate domestic production, promote exports of goods other than oil and gas, control and attract investment capital that boosts economic output, and so on (Summers & Summers, 1989).

As a form of equalisation, the purpose of taxation is to redistribute wealth so that everyone in the community can live in peace and prosperity. Redistribution of wealth serves the goal of reducing inequalities in material well-being (Costanza, 1999). Taxes can be used for income redistribution and suppress a consumerist lifestyle. Increasing tax revenue is one way for the Government to stimulate the economy and increase employment opportunities (Sanne, 2002).

The Government can combat inflation by raising taxes and maintaining economic stability through tax stabilisation. Meanwhile, the Government can cut taxes to combat an economic slowdown or deflation by increasing the quantity of money in circulation (Saragih, 2015).

It is clear from the above that taxes serve multiple purposes in keeping the Government operational. For example, the Government uses the usual function of taxes to aid the country's economic revival plan. To lessen the blow that COVID-19 deals to the economy, authorities have taken several measures, including launching the National Economic Recovery Program. The Government of Indonesia has been operating the National Economic Recovery programme since the beginning of 2021. Among the many measures being taken to mitigate the economic damage from COVID-19 is the National Economic Recovery programme. The Government is running this initiative in addition to addressing the health crisis because of the fall in communal activities that affect the economy. Taxes and other forms of regulation are used to mitigate the economic fallout from COVID-19 in several ways. These include enacting tax breaks, easing restrictions on business deductions, reducing corporate tax rates, and so on (Farouq, 2018).

3. Methodology

This research is ontologically targeted at criticising the Indonesian Government's strategy in the taxation sector in light of the post-COVID-19 Pandemic's effect on the nation's economic recovery. "Virtual" reality is objective, actual, and computable and generated by social circumstances. Issues about politics, culture, economics, race, and gender are being increasingly acknowledged as being correct (Indarti, 2020). Therefore, a socio-legal research method can be described as the approach used in this study. The socio-legal approach technique is a different method that looks at the doctrinal study of law. (Banakar & Travers, 2005) It was developed in the 1970s. In socio-legal studies, the word "socio" refers to the interconnections between the many settings in which laws are enacted (Feenan, 2013). In addition to the doctrinal legal research methodologies, this study uses a method known as the Socio-Legal approach. This method can be associated with doctrinal research, a legal research subfield.

According to Wignjosoebroto (2002), non-doctrinal research considers social reality observations as general assertions or main premises. As a result, non-doctrinal research not only demonstrates mastery of deductive thinking procedures but also places a priority on inductive ones. In-depth interviews were the method of choice for gathering the primary data for this study. Library research was used to compile secondary data in the form of primary, secondary, and tertiary sources of legal information. All the data were subjected to qualitative analysis methods, and the results were presented in descriptive form.

4. Results

4.1. COVID-19 and the global economy

COVID-19 has deep-reaching societal consequences that extend far beyond the health of those directly afflicted. The effects of COVID-19 on society and the economy have been profound. The Pandemic has had devastating impacts. However, they have been felt differently in different nations. It is undeniable that COVID-19 has caused widespread disruption across the globe, notably in the transportation sector. The result is expected to be higher economic spending and worsening global inequality (Simanjuntak & Fitriana, 2020).

Since the World Health Organization (WHO) classified COVID-19 as a global pandemic, it has had devastating effects, especially in transportation-dependent industries (Cucinotta & Vanelli, 2020). If the effects of the Pandemic had to be categorised, health care, the economy, and social services would be the top three areas hardest hit. At the time of this writing, the health effects had claimed the lives of at least 6,467,023 persons and were responsible for a total of 599,071,265 confirmed cases. Given the high rate of COVID-19 transmission, numerous health services must be provided, including the supply of healthcare infrastructure, trained medical personnel, and expensive immunisations (Singhal, 2020).

If losses are converted to current exchange rates, the International Monetary Fund (IMF) estimates that the cost of the COVID-19 pandemic will be at least USD 12 trillion (Ahmad et al., 2020). In addition, downward economic growth is forecast for 95% of countries worldwide. Forecasts indicate that the world economy will fall to its lowest point in more than 80 years following an initial uptick following the global recession. A decline from 5.7% in 2021 to 2.9% in 2022 and an average of 3% in 2023 and 2024 is predicted for global growth. The global economy may recover from the slump predicted by COVID-19, but the influence of the virus still cannot be ruled out (Jackson, 2021).

The economic growth of developed economies, including the United States, Japan, the European Union, and other developed economies, slowed to an average of −4.6%, significantly lower than the average growth seen worldwide. On the other hand, the slowdown in developing nations was not as severe as the fall seen globally (−1.6% vs −3.3%). Estimates of annual percentage changes in Gross Domestic Product (GDP) have been compiled for various industrialised and emerging economies worldwide. They are presented in Table 1 below for your convenience.

Impacts from the COVID-19-caused economic slowdown extended to a wide range of economic variables, including the pricing of oil, other energy sources, and a wide range of essential human commodities. Fertiliser price swings, for example, might knock on the cost and availability of food. The lockdown strategy created widespread disruption in the supply chain, especially in several Chinese cities. Given that country's well-established role as a major producer of commodity products, it inevitably has considerable influence over the worldwide distribution of production outcomes and the production process (Muche et al., 2022).

As a result of COVID-19, costs associated with healthcare will rise, which will, in turn, cause a rise in the cost of essentials like electricity and groceries. Increases in the cost of essentials like electricity and food are a reason for concern because they threaten people's ability to survive. An increase in food costs will have a profound impact on the general population, which is already struggling to make ends meet in the face of multiple constraints, not the least of which is a lack of financial resources to pay for necessities like food (Aday & Aday, 2020). Figure 1 shows how fluctuations in energy and food costs (A) contribute to rising food insecurity (1-B).

4.2. COVID-19 and the Indonesian economy

At the beginning of March in the year 2020, the government of Indonesia reported the discovery of the first case of COVID-19 caused by the coronavirus. Since it was discovered for the first time in March, the COVID-19 virus has caused widespread disruptions across various industries, most notably the economic sector (Ayuningtyas et al., 2021). Table 1 shows that Indonesia, a growing economy, saw its economy contract by as much as 2.1% in 2020. A sluggish economy directly results from measures taken to limit disruptive behaviour in the business world. The Central Statistics Agency reported in August 2020 that Indonesia's economic growth in the second quarter of 2020 was −5.32%. The Central Statistics Agency had previously indicated that Indonesia's economic growth in the first quarter of 2020 was only 2.97%, well below the target growth rate

Table 1. Real GDP (Percent change from the previous year)

Percentage point differences from January 2022 projections

	2019	2020	2021e	2022 f	2023 f	2024 f	2022 f	2023 f
World	**2.6**	**−3.3**	**5.7**	**2.9**	**3.0**	**3.0**	**−1.2**	**−0.2**
Advanced economies	**1.7**	**−4.6**	**5.1**	**2.6**	**2.2**	**1.9**	**−1.2**	**−0.1**
United States	2.3	−3.4	5.7	2.5	2.4	2.0	−1.2	−0.2
Euro area	1.6	−6.4	5.4	2.5	1.9	1.9	−1.7	−0.2
Japan	−0.2	−4.6	1.7	1.7	1.3	0.6	−1.2	0.1
Emerging markets and developing economies	**3.8**	**−1.6**	**6.6**	**3.4**	**4.2**	**4.4**	**−1.2**	**−0.2**
East Asia and the Pacific	5.8	1.2	7.2	4.4	5.2	5.1	−0.7	0.0
China	6.0	2.2	8.1	4.3	5.2	5.1	−0.8	−0.1
Indonesia	5.0	−2.1	3.7	5.1	5.3	5.3	−0.1	0.2
Thailand	2.2	−6.2	1.6	2.9	4.3	3.9	−1.0	0.0
Europe and Central Asia	2.7	−1.9	6.5	−2.9	1.5	3.3	−5.9	−1.4
Russian Federation	2.2	−2.7	4.7	−8.9	−2.0	2.2	−11.3	−3.8
Turkey	0.9	1.8	11.0	2.3	3.2	4.0	0.3	0.2
Poland	4.7	−2.2	5.9	3.9	3.6	3.7	−0.8	0.2
Latin America and the Caribbean	0.8	−6.4	6.7	2.5	1.9	2.4	−0.1	−0.8
Brazil	1.2	−3.9	4.6	1.5	0.8	2.0	0.1	−1.9
Mexico	−0.2	−8.2	4.8	1.7	1.9	2.0	−1.3	−0.3
Argentina	−2.0	−9.9	10.3	4.5	2.5	2.5	1.9	0.4

(Continued)

Table 1. (*Continued*)

Percentage point differences from January 2022 projections								
	2019	**2020**	**2021e**	**2022 f**	**2023 f**	**2024 f**	**2022 f**	**2023 f**
The Middle East and North Africa	0.9	−3.7	3.4	5.3	3.6	3.2	0.9	0.2
Saudi Arabia	0.3	−4.1	3.2	7.0	3.8	3.0	2.1	1.5
Iran, Islamic Rep.[3]	−6.8	3.4	4.1	3.7	2.7	2.3	1.3	0.5
Egypt, Arab Rep.[2]	5.6	3.6	3.3	6.1	4.8	5.0	0.6	−0.7
South Asia	4.1	−4.5	7.6	6.8	5.8	6.5	−0.8	−0.2
India[3]	3.7	−6.6	8.7	7.5	7.1	6.5	−1.2	0.3
Pakistan[2]	3.1	−0.9	5.7	4.3	4.0	4.2	0.9	0.0
Bangladesh[2]	7.9	3.4	6.9	6.4	6.7	6.9	0.0	−0.2
Sub-Saharan Africa	2.6	−2.0	4.2	3.7	3.8	4.0	0.1	0.0
Nigeria	2.2	−1.8	3.6	3.4	3.2	3.2	0.9	0.4
South Africa	0.1	−6.4	4.9	2.1	1.5	1.8	0.0	0.0
Angola	−0.7	−5.2	0.7	3.1	3.3	3.2	0.0	0.5
Memorandum items:								
Real GDP								
High-income countries	1.7	−4.6	5.1	2.7	2.2	2.0	−1.1	−0.2
Middle-income countries	4.0	−1.3	6.8	3.3	4.2	4.5	−1.3	−0.3
Low-income countries	4.8	1.9	3.9	4.1	5.3	5.7	−0.8	−0.6

(*Continued*)

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Table 1. (*Continued*)

Percentage point differences from January 2022 projections

	2019	2020	2021e	2022 f	2023 f	2024 f	2022 f	2023 f
EMDEs excluding Russian Federation and Ukraine	3.9	−1.5	6.7	4.2	4.5	4.5	−0.5	0.0
EMDEs excluding China	2.5	−4.0	5.6	2.7	3.4	4.0	−1.5	−0.4
Commodity-exporting EMDEs	1.8	−3.8	4.8	1.2	2.6	3.2	−2.1	−0.5
Commodity-exporting EMDEs, excluding Russian Federation and Ukraine	1.8	−4.0	4.8	3.7	3.3	3.4	0.3	−0.1
Commodity-importing EMDEs	4.9	−0.4	7.5	4.4	4.9	5.0	−0.8	−0.1
Commodity-importing EMDEs, excluding China	3.2	−4.2	6.6	4.6	4.5	4.9	−0.7	−0.1
EM7	4.5	−0.5	7.3	3.3	4.3	4.7	−1.5	−0.4
World (PPP weights)[4]	2.9	−3.0	6.0	3.1	3.4	3.5	−1.3	−0.2
World trade volume[5]	**1.4**	**−8.0**	**10.3**	**4.0**	**4.3**	**3.8**	**−1.8**	**−0.4**

(*Continued*)

Table 1. (*Continued*)

Percentage point differences from January 2022 projections

	2019	2020	2021e	2022 f	2023 f	2024 f	2022 f	2023 f
Commodity prices[6]								
Oil price	−9.9	−33.9	66.5	42.0	−8.0	−13.0	35.0	3.8
The non-energy commodity price index	−4.2	3.3	32.7	17.9	−8.1	−3.1	19.9	−4.1

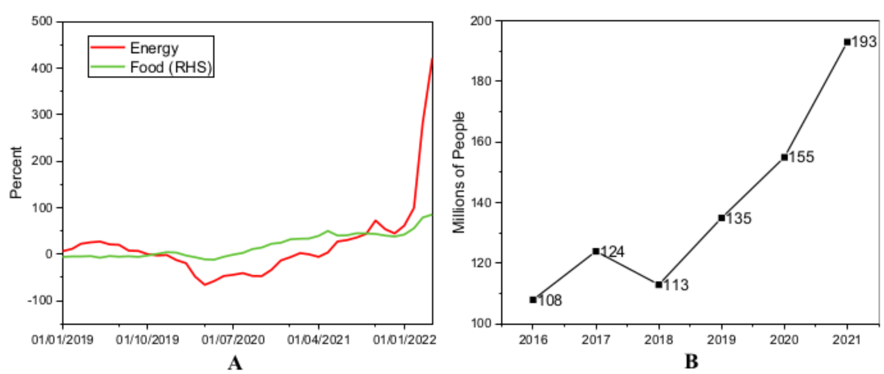
Source: World Bank (https://www.worldbank.org/en/news/press-release/2022/06/07/stagflation-risk-rises-amid-sharp-slowdown-in-growth-energy-markets) of 5.02%. GDP growth in the 2020 fiscal year was measured at −2.07% (0.03% different from the World Bank version) due to activity limits aimed at preventing the spread of COVID-19.

Consequences, such as a rise in unemployment, were felt in the economy as the growth rate began to slow. Due to the widespread impact of the pandemic, numerous businesses closed down. The amount of workers who were let go is indicative of this. According to the data provided in the databox, the unemployment rate has risen since August 2020. The number of jobless Indonesians rose from 2.67 million to 9.77 million. With more people entering the labour field comes a corresponding rise in the unemployment rate. In Figure 2 (A), we see a summary of the evolution of Indonesia's GDP and economic growth; in (B), we see a summary of the country's unemployment and open unemployment rates (Loka & Purwanti, 2022).

According to the Central Bureau of Statistics, the country's GDP will reach IDR 16.97 quadrillion in 2021, equivalent to US$1.19 trillion at the current exchange rate of IDR 14,269 per USD. Figure 1 shows that this amount is significantly more significant than the previous year's IDR 15.4 quadrillion (A). Initial estimates of COVID-19's impact on Indonesia's GDP and economic growth show a precipitous drop from the 5-% range to the 3% level. This demonstrates the significant economic impact of COVID-19 in Indonesia (Muhyiddin & Nugroho, 2021).

Economic effects affect the labour market due to their influence on corporations. In 2020, 82.85% of businesses were impacted by the COVID-19 pandemic, according to a survey conducted by the Central Statistics Agency. According to sector analysis, the hospitality and food service industries saw the most significant percentage (92,47) decrease in revenue. Therefore, the COVID-19 pandemic will undoubtedly impact working conditions in Indonesia. Compared to 2020, when Indonesia initially confronted the threat of the virus, 2021 will have less impact. Covid-19 affected 21.32 million working-age persons, a decrease of 7.8 million from August 2020's total of 29.12 million. In August of 2021, the Central Statistics Agency of Indonesia stated that 9.1 million Indonesians were without jobs. The February 2021 figure was 8.7 million, so there is a rise. However, it is still lower than the 9.8 million counted in the corresponding month a year earlier (the initial period of the spread of COVID-19). There may be more people out of work in Indonesia, but the country's open unemployment rate suggests the job market is getting better for workers. In August of 2021, the unofficial unemployment rate in Indonesia was 6.49%. The open unemployment rate fell from February 2021 (9.72%) to August 2020 (7.07%; Ramadani et al., 2022).

Figure 1. Effect of COVID-19 on (A) Energy and Food Prices, (B) Population in Food Insecurity.



4.3. Tax policy by the government in indonesia's national economic recovery

Monetary and fiscal policies are just two examples of the many measures the Indonesian Government has taken. The Central Bank (in this case, Bank Indonesia) implements policies known as monetary policy to ensure price stability in the economy. On the other hand, fiscal policy refers to the Government's efforts to address economic challenges by altering taxation and spending policies (Kuncoro & Sebayang, 2013).

For the Government to have the most significant possible influence in mitigating the effects of COVID-19, it has adopted several policies through tax law instruments to improve fiscal policy,

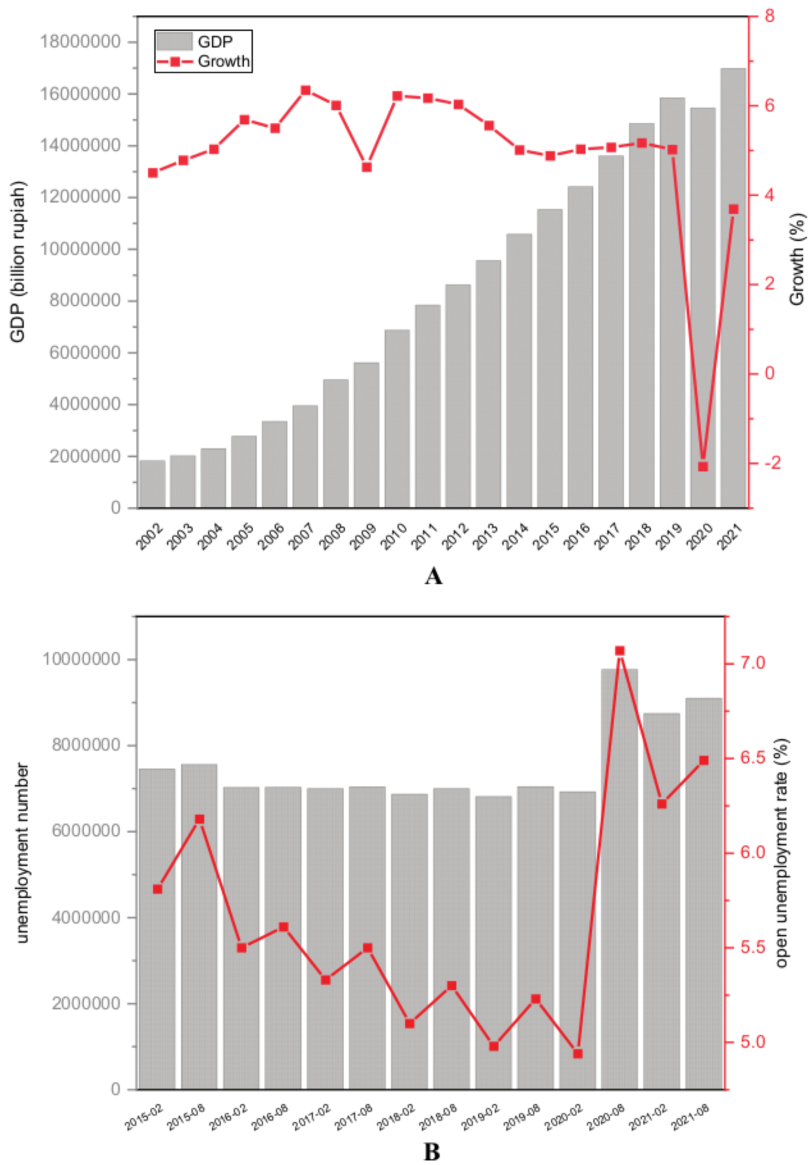


Figure 2. (A) Indonesia's GDP and economic growth (2002–2021), (B) Total unemployment and Indonesia's open unemployment rate (2015–2021).

particularly in taxation. In this situation, the Government emphasises taxation's regulating function to enforce the social and economic policy (Mooij et al., 2020).

In order to encourage growth and stimulate the economy, governments frequently utilise fiscal instruments known as tax incentives to reduce the tax burdens of specific industries. The Government used incentives and other tax concessions to implement tax policy during the COVID-19 pandemic and at other times. This is a direct result of the Government's use of tax mechanisms to boost the economy (Marlina & Syahribulan, 2021).

To prepare for the potential fallout of the COVID-19 Pandemic, the Government has offered multiple tax incentive policy packages up to this point. When the Pandemic first hit, the Government released Minister of Finance Regulation Number 23 of 2020, which addressed tax breaks for people who had their incomes impacted by the COVID-19 Pandemic (Olivia et al., 2020). If the current crisis is to be contained, the Government has issued this Minister of Finance Regulation. Minister of Finance Regulation No. 44/PMK.03/2020 Concerning Tax Advantages for Taxpayers Affected by the 2019 Corona Virus Disease Pandemic further announced regulations for tax incentives on 27 April 2020. On 16 July 2020, a brand-new incentive policy was implemented. Using Financial Minister's Regulation No. 86/PMK.03/2020 on Tax Incentives for Taxpayers Affected by the Corona Virus Disease Pandemic. Tax breaks for taxpayers hit by the 2019 Coronavirus pandemic were made available in 2021 by Minister of Finance Regulation No. 9/PMK.03/2021. In turn, the Minister of Finance issued PMK 82/PMK.03/2021, which modified PMK 9 to change this PMK (Widiyawati & Mulyoto, 2016).

Article 21 Income Tax Incentives, Article 22 Import Income Tax Incentives, Article 25 Income Tax Installment Incentives, and Article 25 Value Added Tax Incentives are all examples of government programmes that provide tax breaks and reductions during the Pandemic. In addition to financial incentives, the Government offers several tax breaks, such as reduced corporate income tax rates, extended tax administration time, customs facilities provision, and reduced taxes on electronic transactions (Sukmana & Rosdiana, 2021).

To elaborate on the tax breaks that are offered, consider the following:

- Tax Break for High Earners (Article 21), Employees with a Taxpayer Identification Number and an annual gross income of less than Rp. Two hundred million are eligible for this bonus. The target audience is those who work with companies in one of 1,189 specified industries, in bonded zones, or with the Import Ease of Export Destination facility. They are eligible for tax breaks under Article 21 of the Internal Revenue Code;
- According to Government Regulation Number 23 of 2018 (PP 23 Final Income Tax), the Government provides a 0.5% income tax incentive to micro, small, and medium-sized enterprises (MSMEs). Therefore, MSMEs do not have to pay taxes. However, it needs to be up to snuff.
- Under the Program for the Acceleration of Improvement of Irrigation Water Utilization, taxpayers who earn money in the construction services industry will be offered a tax break on their final income tax payment.

Incentives for collecting import taxes and exemptions from import income taxes are outlined in Article 22. Certain taxpayers, including those in the 730 specified industries (formerly the Number SP-05/2,021,721), Import Ease of Export Destination businesses, and bonded zone businesses, are eligible for the reduced income tax rates provided by Article 22. Taxpayers operating in one of 1,018 designated industries (up from 1,013 industries), Import Ease of Export Destination businesses, or bonded zone businesses are eligible for a 50% discount in their Article 25 Income Tax instalments.

Incentives for rapid restitution of up to Rp5 billion in an overpayment of Value Added Tax are available to low-risk taxable Entrepreneurs in 725 specific business areas (formerly 716 business fields), Ease of Import Export Destination companies, or enterprises in the bonded area.

One might unwind: First, the Government lowered the corporate income tax rate from 25% to 22% for fiscal years 2020 and 2021 and 20% for the fiscal year 2022. Taxpayer objection periods, as described in Article 25 paragraph (3) of Law No. 28 of 2007 concerning the Third Amendment to Law No. 6 of 1983 concerning General Provisions and Procedures Taxation, are extended for up to six months under Article 2 of the Law Extending Time in Tax Administration.

In the framework of dealing with the COVID-19 Pandemic and facing dangers that harm the national economy, Regulation of the Minister of Finance Number 34 of 2020 mandates the provision of Customs Facilities, exemption or relief from import tariffs. When using intangible taxable goods and taxable services by international platforms via Trading Through Electronic Systems, the Government will levy a value-added tax of 4%. When conducting business in Indonesia, foreign tax subjects with a sizeable economic presence must pay both Value Added Tax and Income Tax or electronic transaction tax on PMSE activities (Ardin, 2021).

The Government has extended this tax credit until the end of 2021, allowing more time for further development. There are six tax breaks available to the public until the end of the year according to Minister of Finance Regulation Number 82/PMK.03/2021 concerning changes to Minister of Finance Regulation Number 9/PMK.03/2021 concerning Tax Incentives for Taxpayers Affected by the COVID-19 Pandemic 2019.

All income taxes on micro, small, and medium-sized businesses have been prolonged until the end of the year. In contrast, the Article 21 Employee Income Tax has been extended until December 2021.1 As a supplement, three kinds of incentives are provided, but only to specific industries. Some of them include applying for value-added tax returns and refunds, reducing income tax instalment payments under Article 25, and importing goods subject to the Income Tax under Article 22.

The initiative, which comes in the form of tax breaks, is meant to boost an economy that has been hit hard by the COVID-19 Pandemic. To ensure continued and even expanded consumption, monetary incentives are provided in the hopes that individuals' purchasing power will rise.

From what has been outlined above, it is clear that the Government has taken several steps to mitigate the effects of COVID-19. The Government has instituted measures with the general goal of improving people's quality of life. Fiscal policy is one strategy used to stimulate economic expansion (the role of stimulation; Shah et al., 2020). Through incentives and tax relief as defined in tax regulations, the Government has used tax instruments to establish several policies relating to the COVID-19 pandemic. The Government's response to the Pandemic's economic players includes budgetary and ordinary tax functions. To sum up, it can be claimed that the Government has directly used tax tools to boost the economy in the context of offering incentives from the Government and various exemptions in paying taxes.

The general public's view of tax measures designed to encourage financial responsibility is quite favourable. In general, tax incentives benefit the National Economic Recovery programme, which indicates the policy's success in easing restrictions and attracting investment. Generally speaking, taxpayers who take advantage of tax benefits see a rise in local sales performance, exports, turnover, local purchases, and imports compared to taxpayers who do not. Nevertheless, on the flip side, the decline in tax revenue to the state is a direct effect of the existence of this programme of tax incentives. The administration must take this chance in order to boost the economy (Yuwono & Purwanti, 2022).

5. Discussion

5.1. Implications of government policy in taxation during the COVID-19 pandemic

For most vulnerable individuals, the COVID-19 outbreak's social and economic effects are likely to have been more severe than whatever health risks they may have encountered. Numerous people are now economically and socially vulnerable because of the loss of their jobs. The Government's responsibility to maintain social safety nets increases during these periods. The Government has implemented measures to deal with COVID-19 head-on, as well as strategies to reduce the indirect effects, such as fiscal policy, particularly taxation policies (Shadmi et al., 2020).

A whopping 75% of Indonesia's State Revenue and Expenditure Budget comes from taxes, making them the country's primary source of income. Taxes play a significant role in the State Revenue and Expenditure Budget, which means the Government is under pressure to establish fair taxing policies. This calls for a return to the original purpose of taxation: the equitable allocation of resources. Taking this view into account, the purpose of taxation is to ensure the welfare of society's underprivileged members by sacrificing the needs of the well-off. Taxes are also provided to reduce inequalities within a standard model.

The Indonesian Government enacted several tax reforms to make life easier for everyone during the COVID-19 Pandemic. Mainly, these policies involve tax breaks and reductions due to the extreme circumstances people are in and their importance on maintaining their own lives.

Government incentives for taxpayers impacted by the COVID-19 Pandemic have been regulated by a series of regulations established by the Directorate General of Taxes within the Ministry of Finance. Regulation of the Minister of Finance No. 82/PMK.03/2021 amending Regulation of the Minister of Finance No. 9/PMK.03/2021 governs the tax breaks in question. There are several different types of tax breaks available, including those described in Articles 21 and 22 of the Tax Code, as well as Articles 25 and 32 of the Tax Code, which allow taxpayers to pay their taxes in monthly payments and reduce their taxable income over time (Sari, 2022).

The Minister of Finance Regulation No. 82/PMK.03/2021 lays out two primary goals for offering incentives and tax relaxation, and these are: as a result of the COVID-19 pandemic, national economic development has slowed, state revenues have dropped, and public spending and finance have increased. The COVID-19 Pandemic caused a significant decline in domestic economic activity, which worsened the state financial system, which was mitigated jointly by the Government and the Financial System Stability Committee as a means of saving health and the national economy with a focus on spending on health, forming a social safety net, and economic recovery (entrepreneurs and the community; Hafidiah et al., 2021).

Suppose you operate in a qualifying industry with a Taxpayer Identification Number and an annual gross income of less than 200,000,000 Rupiah. In that case, you may qualify for tax benefits under Article 21 of the Income Tax Law. One thousand one hundred eighty-nine distinct business specialisations fit this description. Businesses that COVID-19 directly impacts have been designated as eligible to receive these incentives.

Online media incentives are a good thing to offer. Only electronic submissions through DJPOnline can qualify for tax incentives. This is so because awarding incentives may be standardised, and more information on the recipients of tax breaks is readily available. The Directorate General of Taxation has also conducted oversight by matching taxpayer data with data from other parties to prevent the improper use of tax benefits. Employment Social Security Administrating Agency data is used to compare and verify estimates from Government-borne Income Tax 21 (Indahsari & Fitriandi, 2021).

Businesses that take advantage of tax breaks must submit a realisation report by law and the approved regulations. In order to prove in court that a business has made use of its tax breaks, realisation reports are required. A poll by the Directorate General of Taxation between July 21 and 7 August 2020, looked into the impact of tax incentives during the pandemic. It found that while 73% of respondents were aware of the fiscal stimulus provided by the Government, only 65% used it. Reasons for not taking advantage of tax incentives included

- a lack of awareness of the incentives' availability;
- the complexity of the application process; and
- the absence of an urgent need for the incentives themselves.

Individuals will be more motivated to work and save money if tax rates are lowered or incentives are provided (Income Tax, per Gale and Samwick). However, reducing the tax burden also entails reducing state revenues through taxes. Therefore this policy is inappropriate if it does not involve modifications to state spending (Gale & Samwick, 2017).

If we believe the 2021 financial note included in the 2020 directorate general's performance report and the State Revenue and Expenditure Budget Law, tax collections dropped by 9.2% in 2020. Recovery phase tax receipts, however, are expected to increase by 5.5% in 2021. It is essential to note the profound effect tax incentives had during the recent COVID-19 outbreak. As a result of fewer people paying taxes and lower tax rates, tax revenue decreases. However, tax incentives can stabilise people's purchasing power and businesses by reducing the burden that business actors must carry. Adopting these tax incentives has improved Indonesia's macro conditions, as seen by a 1.5% increase in household spending from −5.5% to-4% in the fourth quarter of 2020 (Halimatussadiah et al., 2022).

Besides monetary incentives, the Government also offers temporary tax breaks (reductions in tax rates). The corporate income tax rate, the length of time taxes can be administered, the availability of customs services and the taxation of electronic transactions all contribute to the tax relief. Because corporate income tax accounts for the bulk of state tax revenue (27% as of May 2022), the administration's reductions in this tax are a bold move. However, corporate income tax is eased because businesses are among those most impacted by COVID-19 and because governments must maintain their ability to collect tax revenue. The taxpayer's time to file an objection has also been lengthened by six months as part of the tax administration term extension.

Minister of Finance Regulation No. 34 of 2020, Provision of Customs and Excise Facilities and Taxation on Imported Goods to handle the 2019 Corona Virus Disease Pandemic, also provides customs convenience in the form of exemption or relief from import duties on goods from abroad. In order to help combat the spread of COVID-19, governments worldwide have waived or reduced import duties on essential commodities, including medical supplies and protective gear. This is a reaction to the price increase and shortage of anti-COVID-19 equipment (Romadhon, 2022).

Utilitarianism is reflected here by the Government putting the good of the community ahead of its desire to increase tax revenue. Table 1 shows that GDP and economic growth increased thanks to the tax policies enacted in 2020 and 2021, providing evidence that the policies successfully stimulated the national economy.

5.2. Policies in the taxation sector post COVID-19

Keeping the tax system true to its progressive nature is crucial (the tax burden increases in proportion to the income or wealth of the taxpayer; Shavshukov & Zhuravleva, 2021). Gender parity, intergenerational fairness, and social proximity to those with similar experiences and perspectives are all necessary supplements. It is essential to minimise the impact of taxes on the economic activity like job creation, value addition, saving, and spending. GDP growth and fair distribution are two goals that the tax system should support. Acosta-Ormaechea and Yoo (2012) conclude that "high" income taxes stifle, rather than stimulate, long-term economic growth, and this finding lends credence to their conclusions. The average worldwide corporate income tax rate decreased by half, from 40% to 20%, between 1990 and 2020. Income taxes, in addition, are more effective at levelling the playing field than sales or other forms of consumption taxation. Reforms cannot be implemented unless tax authorities find a middle ground between fiscal capability and economic expansion. Finding this sweet spot requires nuanced rate and base manipulation. The International Monetary Fund found that increasing the VAT rate would have a more significant adverse effect on growth than broadening the tax base (Pizzinelli et al., 2022).

The ability of governments worldwide to employ tax policy to advance more equitable economic expansion is severely constrained. The shape that tax reform ultimately takes will be determined by several factors, including the nature and history of present fiscal policy, the level of personal and business income, the composition and size of the economy, and the efficiency with which taxes are administered. Regarding individual progressive taxes, developed nations are more lenient than their less-developed counterparts. This is especially true of their Value Added Tax bases, carbon taxes (environmental taxes), inheritance, and land taxes. Administration, tax collection, simplification of the Value Added Tax system, an extension of taxation of the extractive industry, and property and environmental taxes all hold significant promise for developing countries. In the post-COVID era, emerging market economies can implement consumer taxing even though it is not strategically advantageous. However, tax revenue should be allocated toward initiatives that directly raise people's standard of living, like those dealing with infrastructure, primary healthcare, and education (Hanson et al., 2022).

Even after COVID-19, there is still a paradigm that must be followed while formulating tax laws. This is connected to the process of levying taxes on individuals. While it is true that levying an income tax is a pretty painless process, this ease of collection also provides political cover for a more progressive system, which is in line with the principle of fairness. Despite widespread public support for fair taxation, high tax rates do not appear to act as an incentive for increased production and better wages. It is important to note that high tariffs and a progressive labour tax system also contribute to tax avoidance (Palil & Akir, 2013).

Exceptional Individual Income Tax Rate. On the other hand, tax credits are seen as more progressive than tax incentives, particularly concerning income taxes (Income Tax). Principles of fairness and progressivity involve exceptions because how the tax threshold is established and enforced might vary widely. Sometimes the revenue goal is set at a high percentage of GDP, yet tax collection is low since the tax rate threshold is higher. Putting a cutoff between the minimum pay and the median wage is reasonable now that COVID-19 has passed (Midões & Seré, 2022).

Income tax progressivity is being questioned. The Government can collect personal income taxes at either fixed or progressive rates. An alternative option is determined only by the equilibrium in a country that must strike a balance between the needs of its citizens, its ability to attract and retain a skilled labour force, and the effectiveness of its Government's budget. However, at a rate of 10–15%, it is believed that progressive tariffs are more efficient than fixed tariffs. However, substantial tariff modifications can have consequences for a decline in tax revenues, necessitating the intense implementation of a tax culture while resetting the threshold. When the economy is doing well again (like it is now, post-COVID-19), a modest progressive tax and a reduction in the maximum taxable income are the preferred methods. Tax collectability and which "social nature" is the goal for the imposition of progressive tariffs with parameters in the form of the country's tax policy (which includes rates and regimes) are two variables that must be considered when making this determination (Brooks, 2000).

Keeping income tax progressivity under check while ensuring it is still collectable and fair. Personal income tax rates are progressive because they are determined according to a person's income level. After all, the Government is interested in collecting tax revenues because people have a natural inclination to seek fairness. Developed countries have marginally higher personal income taxes than underdeveloped countries. However, the maximum personal income tax rate in developing countries like Indonesia is 30%. The minimum value is at the level of 5% despite four taxable income scales. In contrast, the maximum personal income tax rate in developed countries can reach an average of 50%, and the lowest limit is 20%. Adjusting the maximum and minimum tax rate margins is one thing that can be done in the post-COVID-19 recovery phase in light of collectability and fairness, given that there are parties who can generate more revenue during pandemic conditions.

During COVID-19, the stock market experienced remarkable growth. Although the global economy has seen a downturn and slowing growth during COVID-19, there have been some pretty rapid advances in the stock market. Therefore, many industries are moving their operations online to maintain compliance with the relevant standards. Wage cuts and layoffs are only two examples of how this has impacted people's ability to make ends meet in the broader economy. Because of this crisis, they need to find other ways to make a living. In January 2021, the Indonesian Central Securities Depository issued public statistical data showing dramatic growth in the number of investors in the capital market. Investor numbers rose from 1,619,372 at the end of 2018 to 2,484,354 by the end of 2019. Even with this growth of 53.41%, the numbers for 2020 are lower. Even with the ongoing pandemic, the number of investors had reached 3,880,753 by the end of 2020. This suggests that individuals prefer virtual firms operating in the stock market to real enterprises suffering during the Pandemic due to activity limits. Income taxes can be levied on a flat rate basis or on the gains realised from the sale of shares, depending on the system's design. One of the main issues is administrative complexity; many company actors have trouble disentangling the taxation of labour from that of capital. Individuals can also choose to have their taxes calculated differently depending on the source of their income. Capital gains are subject to a fixed but light scale, but personal income tax rates may be progressive (Pandiangan, 2008).

Taxation of Corporations. While businesses have been hit hard by the COVID-19 Pandemic, Indonesia's corporate income tax revenues have surged by 127.5% year-over-year as of May 2022. This demonstrates the relevance of the Government's tax incentives and relaxation measures during the COVID-19 economic recovery phase. The tax policy implemented during the pandemic has the potential to raise tax collection by encouraging corporations to report and pay their income tax. Considering the "softening" of Income Tax during the COVID-19 Pandemic may provide a novel lens through which to evaluate potential changes to business Income Tax rates in the wake of the Pandemic. It is essential to move the focus of corporate income tax collection away from simply setting typically high rates and ensuring that the tax is collected. Adjusting the corporate income tax rate can be a great way to entice investors and financiers from outside.

Most complaints focus on the proposed changes to the rates and personal income tax regime, as well as the proposed relaxation of the corporate income tax. Both of these arguments point to the importance of focusing on tariff progression to increase welfare through the redistribution of wealth, which is the stated goal of tax collection. It is essential to phase in progressive tariffs while raising tax awareness gradually. It is important to remember that the Government spends a good portion of its tax money on things that improve people's lives right away, like building new public works or financing local businesses.

6. Conclusions

Tax policies are an essential piece of the equation when it comes to attempting to recover from the devastation that COVID-19 created. In the early days of the pandemic, the government of Indonesia and other nations provided tax breaks in the form of incentives and relaxation, particularly on personal and corporate income taxes. This was done as part of a method known as fiscal stimulus. In light of the description that was given, the following salient points jump out: Reforms to tax policies that were implemented during COVID-19, particularly the implementation of tax tariffs, should get launched as soon as feasible, given the significance of the years following COVID-19 to the long-term health of the economy. When choosing progressive rates for the personal income tax, it is crucial to consider how easily the tax can be collected, how fair it is, and how beneficial it will be to the general population.

Given that the rise in online activity during COVID-19 is acknowledged as providing a growth impetus to the Indonesian stock market, it is essential to consider imposing an income tax on profits derived from the stock market by imposing light tariffs to increase tax benefits, particularly for citizens in general. Given this, it is essential to consider imposing an income tax on profits derived from the stock market by imposing light tariffs. In a similar vein, lowering the tax rate on corporate income can improve the atmosphere for business, boost investment, and bring in additional funds that can be used to stimulate the economy.

From everything that has been discussed up to this point, it is evident that the government has experimented with a variety of approaches in order to combat the impacts of COVID-19. The rules established by the government have been made so mainly with the general welfare of society in mind. The fiscal policy is one of these policies, contributing to the economy's expansion (vital role). During the COVID-19 Pandemic, the government has utilised several tax tools to make different policy decisions. These decisions pertain to the domain of taxation. For instance, tax regulations allow the government to offer inducements and reduce tax rates. In this situation, the government is concentrating on both the budgetary and the regular tax functions to assist those members of the economy whom the Pandemic has negatively impacted. In a nutshell, the government has directly stimulated the economy by employing tax tools, providing financial incentives, and making other tax payments more manageable.

The National Economic Recovery programme, which evaluates how effectively this strategy of delivering tax cuts and incentives to businesses and individuals works, is helped by tax incentives. The measures that provide taxpayers with tax benefits have a very positive reputation among taxpayers. Taxpayers who take advantage of tax advantages typically fare better financially than taxpayers who do not take advantage of such incentives in terms of local sales, exports, turnover, local purchases, and imports. On the other hand, the fact that this policy of providing tax incentives is currently in effect has led to a decline in the amount of tax income collected by the state. If the government is serious about improving the economy, it will have to accept this risk.

The fact that this study was only conducted in Indonesia is one of the factors that contribute to its shortcomings as a body of research. In light of these constraints, to advance study on the same subject, we will adopt a more all-encompassing strategy, including employing an approach that compares different legal systems. This method is used to analyse various reconstructions of the economic system through tax reform in several countries, which can be used as material for developing the economic system in Indonesia, mainly to deal with the Post COVID-19 Pandemic. In addition, this method is used to compare and contrast the effects of these various tax reforms on the respective countries' economies.

One potential limitation is that the study may have considered only some possible tax reform options available to the Indonesian government. Additionally, the research may have yet to consider the proposed tax reforms' potential political and social implications.

Another limitation could be that the research is based on a single-country study (Indonesia) and may need to be more generalizable to other countries. Furthermore, the research could be limited by a lack of data, which could affect the conclusions' accuracy.

Lastly, the research may need to be revised because it focuses solely on tax reform to reconstruct the post-pandemic economy. It may have yet to consider other potential policy options or a comprehensive approach incorporating multiple policy levers.

Future research in this area should address these limitations by considering a broader range of policy options and conducting studies in multiple countries to increase the generalizability of the findings. Additionally, future research should consider the potential political and social implications of proposed tax reforms and consider the availability and quality of data.

Furthermore, future research should take a comprehensive approach considering multiple policy levers and the interplay between policies. This could include analyzing the potential impact of monetary, fiscal, and structural policies on the economy. In addition, future research should consider the impact of the pandemic on different sectors of the economy and the impact of the pandemic on different demographic groups.

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