

Analyzing the Purbaya Effect: A Descriptive Qualitative Study on Fiscal Policy and Economic Growth in Indonesia

Jan Horas Veryady Purba
Institut Bisnis dan Informatika Kesatuan

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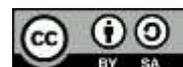
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ABSTRACT

This study examines the phenomenon of the *Purbaya Effect* within the framework of Indonesia's fiscal policy, focusing on its implications for market dynamics, economic growth, and fiscal credibility. Addressing a research gap in the limited academic discourse on the *Purbaya Effect*—with prior studies largely confined to general fiscal issues such as deficits and government spending—this research adopts a descriptive qualitative approach. Two articles were analyzed using NVivo to identify dominant themes and word frequencies. Findings reveal that the *Purbaya Effect* signifies a paradigm shift toward expansionary fiscal strategies, characterized by increased government spending, interest rate reductions, liquidity injections, and the strengthening of MSMEs and the real sector as drivers of growth. Thematic analysis highlights the dominance of terms such as economy, consumption, fiscal, investment, and financing, underscoring the role of fiscal policy as an economic accelerator. Strategically, the *Purbaya Effect* shapes market perceptions, public expectations, and fiscal credibility, while opening pathways for long-term development through infrastructure investment and human capital enhancement. Nonetheless, expansionary fiscal measures carry risks of inflation, budget deficits, and crowding out, necessitating cross-sectoral coordination and macroprudential oversight. This study contributes to macroeconomic literature by introducing a novel conceptual lens and offers practical insights for designing inclusive, credible, and sustainable fiscal policy in Indonesia.

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Corresponding Author:

Name: Dr. Jan Horas Veryady Purba

Institution Address: Institut Bisnis dan Informatika Kesatuan, Jl. Ranggagading No. 1. Bogor, Indonesia, 16143.

e-mail: janhorasvpurba@gmail.com

1. INTRODUCTION

The *Purbaya Effect* has become relevant in the context of Indonesia's economy as it coincided with the leadership transition at the Ministry of Finance in September 2025. When Purbaya Yudhi Sadewa was appointed to replace Sri Mulyani, the market reacted

swiftly with a 1.78% decline in the Jakarta Composite Index (JCI) on the first day. This reaction illustrates that fiscal policy and the figure of an economic leader have a direct influence on market perceptions and macroeconomic stability. As noted, "this market reaction gave rise to a new term that

began to resonate among analysts: the Purbaya Effect"[1].

In addition, a more expansionary fiscal policy was immediately implemented, marking a shift from the previous conservative approach. Purbaya encouraged the acceleration of regional spending by highlighting regional budget (APBD) funds parked in banks amounting to IDR 233.97 trillion, or 17% of total APBD spending as of October 2025. This step reflects a fiscal strategy oriented toward increasing aggregate demand, in line with the Keynesian approach[2]. It shows that the *Purbaya Effect* is not merely a political phenomenon but an economic strategy aimed at driving growth through fiscal optimization.

The phenomenon also manifested in Indonesia's economic growth target of 6% in 2026, which was considered realistic but required policy breakthroughs. The Chief Economist of Trimegah Sekuritas emphasized that "6% growth is not a dream. But it requires a fundamental change in perspective on how fiscal-monetary policy works"[3]. Thus, the *Purbaya Effect* is relevant because it reflects a combination of expansionary fiscal policy, market expectations, and ambitions for higher economic growth. This phenomenon is important to be examined descriptively and qualitatively to understand its strategic implications for Indonesia's economy.

The term *Purbaya Effect* is still relatively new and has been discussed more in popular media or market analysis than in academic literature, so there has been no systematic study of this phenomenon within the framework of macroeconomic theory and fiscal policy. Previous research on fiscal policy in Indonesia generally focused on aspects such as deficits, government spending, or public debt, but has not specifically linked fiscal policy with public perception and market reactions through particular figures as a form of policy credibility effect. Moreover, the dominant approaches in economic studies have been quantitative, using statistical or econometric analysis, while phenomena such as the *Purbaya Effect* are more appropriately understood through descriptive qualitative

approaches that highlight narratives, perceptions, and policy strategies. This study therefore seeks to fill that gap.

This research is guided by several key questions: how is the *Purbaya Effect* understood in the context of Indonesia's fiscal policy; to what extent does the phenomenon contribute to market perceptions and national economic growth; what are its strategic implications for fiscal policy credibility and public expectations; and how can a descriptive qualitative approach explain the dynamics of the relationship between fiscal policy, economic leadership figures, and Indonesia's economic growth.

The aim of this study is to comprehensively describe the *Purbaya Effect* within the framework of Indonesia's fiscal policy, analyze its impact on market perceptions and economic growth, and assess its strategic implications for fiscal policy credibility and public expectations. Furthermore, the study seeks to demonstrate the relevance of the descriptive qualitative approach in understanding economic phenomena rich in narrative, perception, and policy strategy, thereby contributing academically to the development of macroeconomic literature while also offering practical input for the formulation of fiscal policy in Indonesia.

2. LITERATURE REVIEW

2.1 *The Concept of Purbaya Effect*

The term *Purbaya Effect* first appeared in September 2025, when Purbaya Yudhi Sadewa was appointed as Minister of Finance, replacing Sri Mulyani. On the very first day of his tenure, the market reacted with a 1.78% decline in the Jakarta Composite Index (JCI), which subsequently gave rise to the term among market analysts and economic media. The *Purbaya Effect* is defined as an economic phenomenon that reflects the direct influence of a fiscal leader on market perceptions, policy credibility, and macroeconomic stability[2].

The origin of this term lies in the combination of a more expansionary

fiscal policy and Purbaya's leadership style, which was considered aggressive in driving government spending. One of his initial prominent steps was the push to accelerate regional budget realization, highlighting APBD funds parked in banks amounting to IDR 233.97 trillion, or 17% of total APBD spending as of October 2025[2]. This indicates that the *Purbaya Effect* is not merely a short-term market reaction, but rather a symbol of a new fiscal strategy oriented toward boosting aggregate demand and economic growth.

Furthermore, the *Purbaya Effect* also reflects public and market expectations regarding the direction of Indonesia's economic policy. The economic growth target of 6% in 2026 was considered realistic, but required bolder fiscal-monetary policy breakthroughs. As emphasized by the Chief Economist of Trimegah Sekuritas, "6% growth is not a dream. But it requires a fundamental change in perspective on how fiscal-monetary policy works"[3]. Thus, the *Purbaya Effect* can be understood as a phenomenon that combines aspects of fiscal policy, the credibility of economic leadership figures, and market expectations regarding national growth prospects.

2.2 Economic Growth

Classical thinkers such as Adam Smith and David Ricardo emphasized that economic growth occurs through the accumulation of capital, labor, and productivity. Smith argued that the division of labor increases efficiency and productivity, thereby driving economic growth. Meanwhile, Ricardo highlighted the limitations of natural resources as a long-term constraint on growth[4],[5]. Thus, classical theory underscores the importance of production factors and efficiency in generating economic growth.

The Solow-Swan model explains that long-term economic growth is determined by capital accumulation, labor growth, and technological progress.

In this model, technology is considered an exogenous factor that drives productivity. The theory emphasizes the importance of investment and savings, and introduces the phenomenon of "convergence," in which countries with lower levels of capital can grow faster than advanced economies[6],[7]. This theory provides a foundation for development policy analysis focused on investment and efficient use of capital.

In contrast to classical views, John Maynard Keynes emphasized the role of aggregate demand in driving economic growth. According to Keynes, fiscal policy through government spending and monetary policy through interest rate control can be used to stimulate the economy, especially during recessions[8]. This theory is relevant to the *Purbaya Effect*, as expansionary fiscal policy is considered capable of boosting growth through increased consumption and investment. Thus, Keynesian economics highlights the importance of government intervention in maintaining stability and economic growth.

Modern theories developed by Paul Romer and Robert Lucas stress that economic growth can be explained by internal (endogenous) factors such as innovation, education, human capital, and government policy. Unlike Solow, who viewed technology as an external factor, endogenous theory emphasizes that public policy and investment in research and education can create sustainable growth[9],[10]. This theory affirms that fiscal policy and investment in human capital play a crucial role in creating stable long-term economic growth[11].

2.3 Fiscal Policy in Indonesia

Historically, fiscal policy in Indonesia has served as a primary instrument for maintaining macroeconomic stability while simultaneously driving national development. The government employs a combination of public spending, taxation,

and financing to regulate economic cycles and reduce inequality. Studies show that expansionary fiscal policy is often implemented in response to crises, such as during the COVID-19 pandemic, when government spending was increased to support economic recovery[12]. This underscores that fiscal policy is not merely a tool for budget management, but also a key instrument of economic stabilization.

In addition, the literature highlights structural challenges in the implementation of fiscal policy in Indonesia, particularly regarding the low effectiveness of regional spending. Data indicate that significant amounts of regional budget funds (APBD) often remain idle in banks, thereby hampering economic circulation at the local level. This phenomenon is a serious concern, as regional spending is expected to function as a driver of regional economic growth[2]. Consequently, fiscal policy in Indonesia focuses not only on the size of the budget but also on the effectiveness of distribution and realization of expenditures.

Recent literature also emphasizes the importance of fiscal policy credibility in building market confidence. Market reactions to the change of Finance Minister in 2025, which gave rise to the term *Purbaya Effect*, demonstrate that the figure of a fiscal leader can influence investor perceptions and economic stability[1]. Thus, fiscal policy in Indonesia is understood not only as a technical instrument, but also as a political-economic phenomenon shaped by public and market expectations.

3. METHODS

This study adopts a descriptive qualitative approach to examine the *Purbaya Effect* within Indonesia's fiscal policy and economic growth. The research relies on secondary data drawn from scholarly articles, fiscal policy reports issued by the Ministry of

Finance, national economic news, market analyses, and official documents such as the State Budget (APBN), Regional Budgets (APBD), and macroeconomic publications from government and research institutions. Classical, neoclassical, Keynesian, and endogenous growth theories provide the theoretical foundation.

Data collection was conducted through library research and document analysis to capture narratives, public perceptions, and policy strategies. NVivo software was employed to systematically organize, code, and visualize qualitative data. The analytical process began with open coding to identify keywords and dominant themes, followed by axial coding to establish relationships among categories. Thematic analysis highlighted key concepts including market perception, expansionary fiscal strategies, policy credibility, and public expectations.

To enhance validity, triangulation of sources and an audit trail were applied, ensuring transparency and consistency. Visual tools such as word clouds, tree maps, and relational models were used to illustrate dominant terms—economy, fiscal, consumption, investment, spending, and MSMEs—and to map conceptual linkages. These visualizations reinforced the interpretation of the *Purbaya Effect* as a narrative positioning fiscal policy as a driver of economic acceleration.

4. RESULTS AND DISCUSSION

The Word Cloud analysis of the articles "*Membedah Purbaya Effect: Strategi Fiskal dalam Sorotan Ekonomi Makro (The Purbaya Effect: Expansionary Fiscal Strategy in Indonesia's Macroeconomic Context)*"[13] and "*Purbaya Effect dan Pertumbuhan Ekonomi Indonesia (The Purbaya Effect and Indonesia's Economic Growth)*"[14] reveals a consistent narrative framing fiscal policy as a driver of economic acceleration. Dominant terms—economy, fiscal, consumption, investment, government spending, MSMEs, and financing—highlight the central role of

expansionary fiscal strategies in shaping discourse around the *Purbaya Effect*.

Beyond word frequency, the visualization underscores conceptual linkages among these themes, illustrating how fiscal policy is positioned not only as a technical instrument but also as a narrative construct

tied to growth, inclusivity, and market confidence. This relational structure provides the foundation for interpreting the *Purbaya Effect* as both an economic and political-economic phenomenon within Indonesia’s fiscal policy landscape.



Figure 1. Word Cloud: The Purbaya Effect: Expansionary Fiscal Strategy in Indonesia’s Macroeconomic [13]



Figure 2. Word Cloud: The Purbaya Effect and Indonesia’s Economic Growth[14]

Table 1. Word Frequency Query Results for Articles 1 and 2

	Word	Count (1)	Count (2)	Total
ekonomi	economy	33	17	50
sektor	sector	27	12	39
fiskal	fiscal	23	11	34
konsumsi	consumption	15	13	28

	Word	Count (1)	Count (2)	Total
pertumbuhan	growth	19	9	28
negara	country	20	6	26
kebijakan	policy	16	6	22
investasi	investment	12	9	21
akses	access	11	8	19
infrastruktur	infrastructure	12	6	18
umkm	MSMEs	11	7	18
bank	bank	11	6	17
belanja	expenditure	17	–	17
pemerintah	government	14	–	14
besar	major	12	–	12
bunga	interest rate	12	–	12
mendorong	encourage	12	–	12
daya	capacity	10	–	10
efek	effect	10	–	10
peningkatan	increase	–	10	10
pembiayaan	financing	–	8	8
eksplisit	explicit	–	7	7
Purbaya	Purbaya	–	7	7
stabilitas	stability	–	7	7
membuka	open	–	6	6

Source: Artikel 1 and 2, 2025 [13],[14]

With this table, we can directly observe the dominant words: economy (50), sector (39), fiscal (34), consumption (28), growth (28), state (26), investment (21), access (19), infrastructure (18), and MSMEs (18), which can be analyzed through six relational clusters:

1. Economy – Growth – Consumption

The first relation, economy–growth–consumption, emphasizes that the core discussion centers on how the national economy develops through increased domestic consumption. Household consumption emerges as the main driver of growth, making “economy” the most dominant term. This indicates that development strategies are directed toward strengthening purchasing power and expanding the domestic market as the foundation for sustainable growth.

2. Fiscal–Policy–Government Spending

The second relation, fiscal–policy–government spending, highlights the role

of fiscal instruments as the state’s primary tool for stabilization and expansion. Fiscal policy is manifested through strategic public spending, both in infrastructure development and social programs. In other words, fiscal policy serves as a bridge between macroeconomic strategy and tangible implementation that directly impacts society and productive sectors.

3. Sector– Investment – Infrastructure

The third relation, sector–investment–infrastructure, underscores the importance of developing productive sectors supported by investment and physical development. Infrastructure functions as a catalyst that strengthens the competitiveness of the real sector, while investment provides the resources necessary to ensure growth sustainability. This relationship shows that economic growth depends not only on consumption but also on enhancing production and distribution capacity.

4. MSMEs – Access – Bank/Financing

The fourth relation, MSMEs–access–bank/financing, highlights the dimension of financial inclusion and equity. As the backbone of the domestic economy, MSMEs require access to financing and banking support to grow. This relation affirms that development strategies are not only focused on large sectors but also on small enterprises that play a crucial role in sustaining consumption and generating employment.

5. State – Government – Stability

The fifth relation, state–government–stability, illustrates the role of authorities in maintaining macroeconomic balance. The state, through the government, is responsible for ensuring economic stability through appropriate regulation and policy intervention. Stability is a

prerequisite for consistent growth and equity, underscoring the importance of governance in the framework of economic development.

6. Effect – Purbaya – Explicit

The sixth relation, effect–Purbaya–explicit, introduces an academic dimension that enriches the discourse. The concept of the *Purbaya Effect* serves as an additional analytical framework linking fiscal policy with stability objectives. The presence of the word “explicit” indicates that this theory is clearly employed in the analysis, thereby strengthening the academic legitimacy of the policies implemented. This relation affirms that theory and practice complement each other in understanding national economic dynamics.

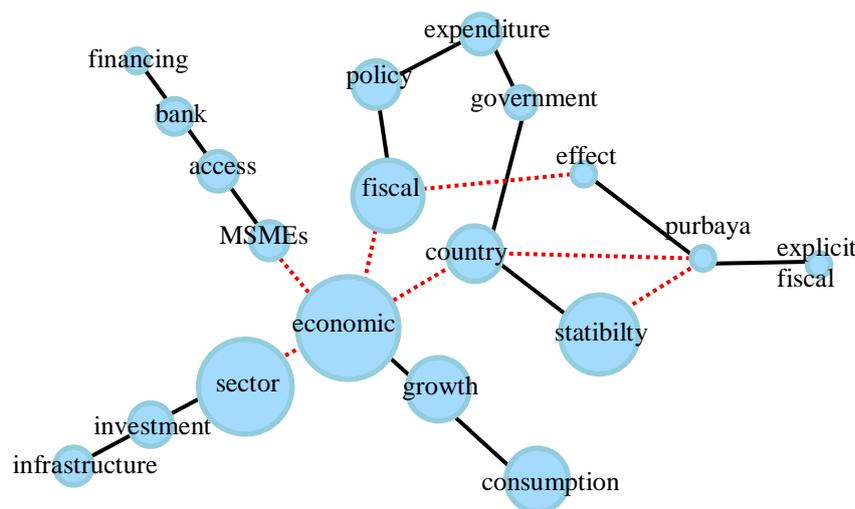


Figure 3. Network of Dominant Words and Their Relations

The diagram “Network of Dominant Words and Their Relations” represents the synthesis of thematic and word frequency analysis from two articles discussing the *Purbaya Effect*. It illustrates the relational structure among key concepts in Indonesia’s fiscal policy. The visualization shows that “economy” functions as the central node connected to strategic elements such as fiscal, state, sector, and MSMEs, with relations reflecting the direction of expansionary policy through government spending, real sector

financing, and infrastructure development. Dashed red lines mark cross-group relations that reinforce integration across policy domains, demonstrating that the *Purbaya Effect* is not merely a policy phenomenon but an analytical framework bridging economic theory, fiscal strategy, and public perception in driving inclusive and sustainable economic growth.

The displayed network diagram illustrates the systematic interconnections between economic and fiscal concepts, with

the central node “economic” functioning as the gravitational hub. This node links key elements such as “growth,” “sector,” “MSMEs,” “country,” and “fiscal,” affirming that the dynamics of policy and development are rooted in national economic objectives. These relations show that growth and stability are not merely end results, but processes involving interactions between the real sector, fiscal policy, and institutional actors. Thus, the economy serves as the principal node that unites macro and micro dimensions within the development framework.

The “fiscal” node is directly connected to “policy,” “government,” and “country,” signifying that fiscal policy is the primary instrument implemented by the state. From “government,” the relations extend to “expenditure” and “effect,” demonstrating that public spending has a direct impact on economic conditions. This effect then flows into “stability,” which becomes both an indicator of success and a potential risk of fiscal measures. The dashed red lines connecting “fiscal,” “country,” “stability,” and “economic” reinforce that fiscal stability is the meeting point between policy and macroeconomic outcomes, serving as the foundation for sustainable growth.

Meanwhile, the “MSMEs” node is linked to “access,” “bank,” and “financing,” underscoring the sector’s dependence on financial and institutional support. Similarly, the “sector” node connects to “investment” and “infrastructure,” indicating that real-sector development requires adequate investment and infrastructure support. These relations demonstrate that fiscal policies directed toward MSMEs and productive sectors can strengthen consumption and growth, as reflected in the relationship between “growth” and “consumption.” In this context, the state acts as a connector, maintaining balance between economy and fiscal policy, functioning both as regulator and facilitator to ensure stability and equity in national economic development.

The *Purbaya Effect* can be understood as an analytical node that enriches the network of economic policy relations, highlighting that

fiscal policy is not merely a technical instrument but has direct implications for macroeconomic stability. When the *Purbaya Effect* is incorporated into fiscal discourse, the analysis becomes more comprehensive, explaining the linkages between government expenditure, fiscal regulation, and the goal of maintaining economic balance. The connection of the *Purbaya Effect* to the “fiscal” and “country” nodes shows that academic theory acts as a bridge between policy and tangible outcomes. Scientific analysis does not stand alone but strengthens policy legitimacy by providing a clear conceptual framework, enabling economic stability through deep theoretical understanding and consistent policy implementation.

The addition of the “Purbaya” and “explicit fiscal” nodes introduces a new dimension of leadership style and policy approach characterized by firmness and transparency. “Purbaya” as a policy actor is directly linked to “explicit fiscal,” reflecting a transformation in how fiscal policy is communicated and executed. This relation clarifies that policy effects are strongly influenced by communication style and the chosen policy direction. Within the context of the *Purbaya Effect*, the network diagram becomes a powerful analytical tool for understanding how shifts in fiscal style can disrupt or reinforce existing economic structures, while also opening space for a more explicit fiscal approach in maintaining stability and driving national economic growth.

The analysis of two articles on the Purbaya Effect shows that the fiscal policy introduced by Minister of Economy Purbaya Yudhi Sadewa represents a significant paradigm shift in the direction of national economic policy. The transition from a conservative fiscal approach to an expansionary strategy marks the government’s effort to stimulate growth through large-scale public spending, interest rate reductions, increased financing of the real sector, and the strengthening of MSMEs and the informal economy. This phenomenon aligns with Keynesian theory, which

emphasizes that government spending is a crucial instrument for overcoming economic stagnation and boosting aggregate demand, particularly during recessions or periods of external pressure[15].

NVivo word frequency results from both articles highlight the dominance of terms such as economy, consumption, fiscal, sector, spending, investment, MSMEs, access, and financing, indicating a consistent narrative pattern: fiscal policy is positioned as the engine of economic acceleration. The prominence of “consumption” and “investment” reflects that the Purbaya Effect is understood as a structural intervention designed to simultaneously stimulate household demand and real-sector production. This is reinforced by literature noting that fiscal stimulus has greater impact when directed toward sectors with a high marginal propensity to consume (MPC), such as MSMEs and low-income households[16].

Liquidity injections of IDR 200 trillion into state-owned banks and interest rate reductions form the core of this stimulus strategy. In monetary theory, lowering interest rates is a key mechanism for expanding credit and productive investment (Mishkin, 2019). The articles emphasize that this liquidity policy created space for banks to channel productive loans to MSMEs, agriculture, food industries, and infrastructure. These findings are consistent with empirical research showing that access to financing correlates positively with MSME productivity growth and regional economic expansion[17].

The large stimulus package “8+4+5” – comprising IDR 800 trillion for infrastructure, IDR 400 trillion for subsidies and social assistance, and IDR 500 trillion for consumption and the real sector – demonstrates a long-term development orientation[14]. Economic development literature identifies infrastructure investment as a key determinant of growth through reduced logistics costs, improved regional connectivity, and new productivity creation[18]. The first article explicitly notes that infrastructure development serves as a

bridge for market access and local sector growth, while the second emphasizes that infrastructure opens connectivity and new production spaces for MSMEs. This interpretation aligns with the multiplier logic that government investment in high-multiplier sectors generates layered impacts on the economy[19].

From a fiscal theory perspective, both articles discuss the fiscal multiplier, ranging between 0.8 and 1.2. Empirical studies in Indonesia show that government spending multipliers are typically larger than tax or transfer multipliers, especially when there is an output gap or unused production capacity[20]. This consistency reinforces the notion that Purbaya’s large-scale stimulus has the potential to generate significant growth, as reflected in the ambitious 8% target mentioned in the articles.

Nevertheless, expansionary fiscal policy also carries serious risks, as discussed in both articles and the broader economic literature. Potential overheating, inflation, crowding out, widening budget deficits, and dependence on stimulus are challenges raised by both monetarist and modern fiscal perspectives. Monetarist theory warns that surges in government spending not matched by production capacity increase inflationary pressures and reduce space for private sector financing[21]. NVivo analysis also shows that inflation risk is a major concern if aggregate demand rises too quickly. Deficit risk is another critical issue, as literature explains that government spending not accompanied by revenue growth can lead to long-term fiscal instability[22].

Structural reform discussions highlight that the Purbaya Effect is not only short-term but also aimed at building a foundation for long-term growth through human capital development, MSME modernization, and economic structural transformation. Endogenous growth theory, which emphasizes the importance of human capital, innovation, and productivity, provides the main theoretical basis for understanding this policy[23]. Both articles and NVivo analysis show that MSME digitalization, vocational

training, and workforce capacity-building initiatives are integral to this strategy, consistent with the view that investment in human capital has high elasticity for long-term growth.

From an equity perspective, both articles stress that infrastructure and MSMEs play a vital role in reducing regional disparities and strengthening local economies. Regional economics literature also shows that equitable infrastructure development can increase labor mobility, reduce income disparities across regions, and reinforce local economic foundations[24]. Purbaya's strategy of linking infrastructure with MSME activity underscores an inclusive development design, consistent with the concept of inclusive growth, which emphasizes that the benefits of growth must be shared across all layers of the economy[25].

Word frequency analysis shows that the second article strongly emphasizes the relationship between fiscal policy, consumption, and financing, while the first focuses on fiscal dynamics, the state, spending, and infrastructure. Synthesizing both reveals a consistent thematic pattern: the state emerges as the primary economic actor mobilizing fiscal resources to accelerate consumption, investment, and structural development. This paradigm aligns with the developmental state model, which positions the state as the engine of economic transformation[26].

Overall, thematic analysis, word frequency, and theoretical review demonstrate that the Purbaya Effect represents an aggressive and progressive fiscal approach, seeking to drive growth through state intervention in real-sector financing, infrastructure development, and MSME strengthening. However, its success depends heavily on cross-sectoral coordination, macroprudential oversight, and the state's ability to manage inflation and deficit risks to remain on a path of long-term stability.

5. CONCLUSION

This study successfully describes the Purbaya Effect as a paradigm shift in Indonesia's fiscal policy from a conservative approach to an expansionary strategy. The policy places government spending, interest rate reductions, liquidity injections, and the strengthening of MSMEs and the real sector as key instruments to stimulate economic growth. NVivo word frequency analysis reinforces the finding that terms such as economy, consumption, fiscal, sector, spending, investment, MSMEs, access, and financing dominate the narrative, confirming that fiscal policy is positioned as the engine of economic acceleration. This aligns with Keynesian theory and fiscal multiplier literature, which emphasize the effectiveness of government spending in overcoming stagnation and boosting aggregate demand, particularly in sectors with high marginal propensity to consume (MPC).

Furthermore, the study analyzes the impact of the Purbaya Effect on market perception, economic growth, and fiscal credibility. The large stimulus package directed toward infrastructure, subsidies, social assistance, and consumption reflects a long-term orientation consistent with endogenous growth theory, where investment in infrastructure and human capital are key determinants of productivity. However, expansionary fiscal policy also carries serious risks, including inflation, budget deficits, crowding out, and dependence on stimulus. Therefore, the success of the Purbaya Effect depends on cross-sectoral coordination, macroprudential oversight, and the state's ability to maintain long-term fiscal stability to preserve policy credibility in the eyes of the public and market actors.

Finally, this study assesses the strategic implications of the Purbaya Effect for public expectations while providing practical input for fiscal policy formulation. Through a descriptive qualitative approach, the study demonstrates that economic phenomena shaped by narratives, perceptions, and policy strategies can be understood more comprehensively. The academic contribution

enriches macroeconomic literature, while the practical insights offered can assist the government in designing fiscal policies that are inclusive, credible, and sustainable. This conclusion affirms that the integration of theory, policy practice, and public perception is key to maintaining stability while driving national economic transformation.

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BIOGRAPHIES OF AUTHORS



Jan Horas Veryady Purba     Completed undergraduate studies at Bogor Agricultural University in 1989, followed by a Master's degree in the EPN Program at the same university, graduating in 2001. Doctoral studies were pursued in the same program and successfully completed in 2012. Currently serves as a lecturer at the Institute of Business and Informatics Kesatuan (IBIK). Bogor, Indonesia. Areas of expertise encompass Management and Economics, with research interests focusing on Economics, particularly Macroeconomic Policy. Email: janhorasvpurba@gmail.com