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The Conceptual Framework of Indonesia Raya Incorporated (IRI): Extending Relationship between the Economic Constitution and the Roles and Functions of State Companies

By R. Agus Trihatmoko & Y. Sri Susilo
University of Surakarta

Abstract- Indonesia Raya Incorporated (IRI) idea is a new and fascinating phenomenon in the perspective of the Indonesian economic system, mainly on the governance of State-owned Enterprises (SOEs) and Regional-owned Enterprises (ROEs). However, there are still few researchers who pay attention to their views on the IRI in corresponds to the Indonesia's economic system and constitution. The purpose of this study was to reveal the relationship between the economic constitution and the roles and functions of state companies to describe the idea of IRI, and also identify and describe the variables included in the IRI concept. The study was carried out using qualitative methods, designed with narrative strategies and grounded theory, and interpreted by using the constructivism approach. The results of the study revealed that: (1) the idea of IRI was set in economic and social issues related to natural wealth governance and economic resources, which gave hope of fulfilling the mandate of the economic constitution through the role and function of SOEs and ROEs; and (2) the content of the IRI concept variable was the economic constitution, corporate strategy, government policy, company share ownership, and the role and function of the company. The description of these findings was translated theoretically, constructively and holistically, thus broadening the conception of IRI and having implications for the economic, management and business strategy.

Keywords: indonesia raya incorporated (IRI), economic constitution, government policy, corporate strategy, company share ownership, state-owned enterprises (SOEs) and regional-owned enterprises (ROEs).

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R. Agus Trihatmoko [α] & Y. Sri Susilo [σ]

Abstract- Indonesia Raya Incorporated (IRI) idea is a new and fascinating phenomenon in the perspective of the Indonesian economic system, mainly on the governance of State-owned Enterprises (SOEs) and Regional-owned Enterprises (ROEs). However, there are still few researchers who pay attention to their views on the IRI in corresponds to the Indonesia's economic system and constitution. The purpose of this study was to reveal the relationship between the economic constitution and the roles and functions of state companies to describe the idea of IRI, and also identify and describe the variables included in the IRI concept. The study was carried out using qualitative methods, designed with narrative strategies and grounded theory, and interpreted by using the constructivism approach. The results of the study revealed that: (1) the idea of IRI was set in economic and social issues related to natural wealth governance and economic resources, which gave hope of fulfilling the mandate of the economic constitution through the role and function of SOEs and ROEs; and (2) the content of the IRI concept variable was the economic constitution, corporate strategy, government policy, company share ownership, and the role and function of the company. The description of these findings was translated theoretically, constructively and holistically, thus broadening the conception of IRI and having implications for the economic, management and business strategy.

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I. Introduction

State companies in Indonesia consist of two types. They are State-owned Enterprises (SOEs) and Government Regional-owned Enterprises (ROEs) or State-Owned Enterprises (*BUMN: Badan Usaha Milik Negara*) and Regional-Owned Enterprises (*BUMD: Badan Usaha Milik Daerah*). SOEs shares are majority owned by the central government, and for some companies that go public their minority shares are on the stock exchange. ROEs generally have not gone public so that the majority of share is in the hands of the provincial or district government. Relatively, there is a different distribution of the number of company units between the provincial government and the Regency.

Some of the business focus of these state companies has sectoral similarities, for example: (1) the SOE's banking sector as a national bank and ROEs for regional banks or rural banks; (2) SOEs natural resources sector as a supplier of clean water from reservoirs, while ROEs as a water distribution agent to households and industries or is known as a regional water company *(PDAM: Perusahaan Daerah Air Minum)*; and (3) others. In the large economic resources sector, namely natural resources such as oil and gas, coal, tin, gold, aluminum, forestry and plantations and others, almost all are dominated by SOEs and national and foreign private sector.

Research on SOEs in various countries have been carried out, however, researchers rarely explore the patterns and mechanisms of companies' shareholdings related to the country's economic constitution and the role and function of the company. Udin, Sudath, and Luo (2016) investigate SOEs failure for Bangladesh. Kloivene and Gimžauskiene (2014) investigated Lithuania's SOEs conceptual framework. Radygin, Simachev, and Entov (2015) analyzed SOEs activities about state failure and market failure. Sanusi (2015) explored the perspective of human resource management about SOEs organizational performance. Arkhipova, Dibrov, Beskrovnaya, and Shchukina (2015) classify SOEs types in Russia. Dobson (2017) explored SOEs impulse from China investing in Canada.

Moreover, Liang, Ren, and Sun (2015) explored the impact of state control on SOEs related to globalization in developing countries. Trihatmoko and Susilo (2018) have conducted a study on the concept of IRI about SOEs and ROEs in Indonesia. However, the study's focus was to uncover the background of the IRI idea in its interests to develop a theoretical perspective on the management of state asset ownership. This paper is a follow-up study as suggested by Trihatmoko and Susilo (2018) which is about the system or operationalization of the IRI concept. It focuses on the relationship between economic constitution and the role and function of state enterprises.

Author α: Doctor of Management, Faculty of Economics, and Graduate Program, University of Surakarta, Indonesia.
e-mail: agustricentre@gmail.com
Author σ: Doctor of Economics, Department of Economics and Business, and Graduate Program Atma Jaya Yogyakarta University, Yogyakarta, Indonesia. e-mail: yssusilo@gmail.com

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Trihatmoko and Susilo's study (2018) has reported that the economic policies applied/ occur have caused a gap in state asset ownership between SOEs, ROEs, and the private sector. It is further emphasized that the majority of state company shares are only dominated by each level of government, and shares of private companies are only controlled by a group of national or foreign entrepreneurs or multinational companies. On the other hand, the essence of Indonesia's economic constitution does not address this, as stated in the 1945 Constitution of the Republic of Indonesia, Article 33. (see, Trihatmoko and Susilo, 2018; Trihatmoko, 2018; Asshiddiqie, 2016; Ismail, Santosa, and Yustika, 2016). This perspective can be assumed that the phrase "controlled by the state" in the law (economic constitution) is practiced only by the government or not by the public as citizens. Trihatmoko and Saragih as Expert Witnesses at the 2018 Constitutional Court hearing, calling it SOEs has become capitalist or capitalistic in carrying out business functions for their country.

The above issues of SOEs share ownership or ROE's have prompted a fresh thought, namely Indonesia Raya Incorporated (IRI) by Putut Prabantoro (Prabantoro, 2014; Trihatmoko and Susilo, 2018; Trihatmoko, 2018). The concept of IRI can be seen as a new term in the economic field since it is still rarely found in the literature. Therefore, research and academic studies on IRI are still rare to find. Nonetheless, in various mass media publications, it can be traced, indicating that the IRI phenomenon is gaining popularity since the end of 2016. To recall from Trihatmoko and Susilo (2018) has explained that IRI's thoughts were conveyed to the Presidential Advisory Council of the Republic of Indonesia.

The substance of IRI is giving ideas on how to "merge" or incorporation between SOEs and ROEs, particularly for state companies in the oil and gas sector (Prabantoro, 2014; Trihatmoko and Susilo, 2018). Trihatmoko and Susilo study results (2018) revealed that the emergence of IRI was driven by economic policies by the government so far which had an impact on economic liberalization, resulting in a gap in ownership of state assets. It was stated by them that to eliminate the state asset ownership gap; new economic policy was needed by the government to encourage the implementation of the IRI concept. Next, it is estimated that the results of the IRI practice will provide people's welfare and equitable development, and ultimately maintain the integrity of the Unitary Republic of Indonesia.

The background of IRI's idea in the macroeconomic context directs SOEs and ROEs to have a role and function directly towards the mandate of the constitution or economic constitution which is towards the general welfare and economic prosperity of the people. Now the crucial question posed is how and what is the idea of IRI related to economic constitution? More comprehensive, how to conceptualize the idea of IRI?

The purpose of this study was to reveal the relationship between economic constitution and the role and function of state companies to describe the idea of IRI, and also identify and describe the variables included in the IRI concept. IRI's idea and conception are very significant to explore, since it will be useful as an academic review and discussion in an economic constitution based economic system, particularly the Indonesian economic system. The IRI study is theoretically and conceptually directed to expand scientific fields, among others: constitutional economy, political economy, development economics, state asset ownership management, and corporate strategy and SOEs and ROEs management, or public management and company management in general. From a practical point of view, the results of this study will be useful as an in-depth reflection on government authorities both for the executive and legislative levels, at the central and regional levels. Thus, it is an expectation for government authorities and other stakeholders to be able to make new efforts and breakthroughs that lead to the implementation of IRI.

II. Literatures and Theory

The existence of state and regional-owned enterprises (SOEs & ROEs) for the country of Indonesia is institutionally as an extension of the state's interests "all elements of the nation (the people)" to operate the natural wealth and economic resources of the country, which are considered to have strategic value and dominate the necessities of life people. The main inter-institutional relationships are representative institutions of the people, government, and business entities. Representation of the people is represented by the legislative ranks from the House of Representatives of Regencies & Cities, Provinces, and the House of Representatives of the Republic of Indonesia (center). Governments are played by executives ranging from Village Heads, Regents, and Governors to Presidents and their ranks. The relationship between the state and SOEs & ROEs is based on agency theory, namely the state as the principal, meanwhile, the government as the main agent, and SOEs & ROEs as sub-agents (see, Trihatmoko, Harsono, Wahyuni, Haryono, and Lukviarman, 2018; Lukviarman, 2016, Liang et al., 2015; Bergen, Dutta, and Walker, 1992; Jensen and Meckling, 1972). Theoretically, it can be assumed that the government and state-owned enterprises are the unit of the implementing agency "agent" of the law orders that have been ratified by the people's representatives in the "principal" parliament.

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Indonesia Raya Incorporated (IRI) can be seen as the design of SOEs and ROEs governance based on the Indonesian economic constitution, namely the 1945 Constitution of the Republic of Indonesia, as well as other laws. The IRI concept perspective is specifically built on the realm of state asset ownership management (Trihatmoko and Susilo, 2018). At the time of the emergence of the concept of IRI, it still leaves a question and discussion about what economic paradigms are and what is their relevance to the current general economic system, namely socialism and neo-liberalism?

In the discussion of paper of Trihatmoko and Susilo (2018), it was stated that IRI adheres to the paradigm of murakabism economics. Reviewing to the paper that murakabism itself is only briefly described. Currently, murakabism has been discussed in detail and in depth through a book called Murkabi Economics by Trihatmoko (2018). It is explained in the literature that murakabism is a new paradigm in the national and global economic system or has been described as murakab economic system. Thus, in short, it has led to the concept of IRI in line with the direction of economic system failure, as well as its perspective in following the flow of murakabism (see, Trihatmoko, 2018).

Regarding the theoretical relationship between economic constitution and the role and function of SOEs and ROE, it is still difficult to trace from the previous literature. Considering the literature review from a theoretical point of view about the relationship between economic constitution and the role and function of state-owned companies which is still limited, this study seeks to explore the phenomenon of the idea of IRI. Furthermore, how and what kind of closeness and relevance between IRI and the economic constitution and the role and function of state companies will be explained in the presentation of the results and discussion of this study. Understanding that this paper is very complex and attempts to build new theories and concepts, the deepening of the IRI theme uses a qualitative research approach.

III. Methodology

The qualitative method in this study was designed with are narrative and grounded theory strategies, and was interpreted by using the constructivism approach (Creswell, 2009; Creswell, 2013; Fatchan, 2011). A narrative strategy was done to uncover the idea of Indonesia Raya Incorporated (IRI), meanwhile, the grounded theory was used to assemble theories into the constructs of IRI. The combination of approaches from strategic design and interpretation of qualitative studies is a methodology for solving rigid and complex problems for phenomena in the field, for example, papers: Trihatmoko and Susilo (2018), Trihatmoko, Harsono, Wahyuni, Haryono, and Lukviarman (2018), Trihatmoko, Mulyani, and Lukviarman (2018), Kalu and Bwalya (2017) (see, Taylor, Bogdan, and DeVaul, 2016; Creswell 2013; Hammersly, 2013; Fatchan, 2011; Jonker and Penning, 2010; Creswell, 2009; Keegan, 2009; Proctor, 2005; etc.). Examples of combinative design research by Trihatmoko and Susilo (2018), Trihatmoko et al. (2018) or others have practiced a combination of phenomenological and grounded approaches, as well as constructivism and pragmatism.

Creswell (2013) explains: (1) Narrative strategy is a study that focuses on narratives, stories, or descriptions of a series of events related to the meaning of human experience: on natural resource governance and strategic economic resources related to state and regional- owned enterprises (SOEs and ROEs); (2) Grounded theory is an effort of researchers in conducting an abstract analysis of a phenomenon (the meaning behind the phenomenon): ownership of a state company, with the hope of creating a specific theory about the phenomenon specifically; (3) Systematics through a combination of the study strategy approach as a systematic procedure (utilizing causality, consequences, and coding themes). Following these methodological directions, the procedures for narrative and grounded theory approaches, and constructivism have been applied in order to be able to reconcile the problems of this study.

Data collection was obtained from the Focus Group Discussion (FGD) initiated by the Unmada Ekayastra Movement in collaboration with Raja Ali Haji Maritim University, on January 22-23 2017, in Batam – Kepulauan Riau. The participants of FGD were eight Professors' and Ph.D.'s of economics from various universities in Indonesia. Their areas of expertise vary namely micro & macro economics, and management and governance. The IRI initiator, Putut Prabantoro, acted as Chairman, and the author's paper has played a role as a discussion reporter. In addition, there were two people from the organizers attending the discussion, and one person from the academics was absent but submitted a written study in the discussion. The organizer has assigned an economist as a moderator; he did not act as an informant in this study. Formation between organizers, participants and researchers were set in such a way that the discussion is objective, independent and natural.

Thus, the eight participants have been grouped as the Key Informants (code: KI.1-8.), and four participants as the Supporting Informants (code: SI.1-4). The participation of the key informants was considered to have met/ fulfilled the needs of the data of this study. They were academics who are experts in economics, management, and governance from various different universities, as well as from different provinces and districts.

The discussion material was not explicitly used to operationalize the IRI conception, but was disguised

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with the title of "IRI FGD - Energy as a Tool of Unifying the Nation". This has purpose in order that the participants can convey the broadest view of the idea of IRI phenomenon related to the energy economy sector and SOE's and ROE's. Therefore, the results of the data processing and analysis can be interpreted comprehensively, so that the results of this study will also be presented in other papers that are different from the theoretical perspectives in this paper.

The data analysis used was a Comprehensive, procedural approach that identifies IRI themes, composes axial coding, describes textually and structurally (Creswell, 2013; Gupta and Awasthy, 2015; Taylor et al., 2016). Next, data validation was carried out with dependability and confirmability procedures, namely: (1) the participants were given the freedom to give their views and opinions both key informants and supporting informants: (2) discussion formation placed researchers as inactive parties or called self-confinement or bracketing or epoche; and (3) confirming the results of the discussion to all participants in the closing session namely conclusions and suggestions as information notes (code: DN); (4) are open and independent, so that some important statements from participants have been included in various mass media.

The general confirmation procedure, namely IRI's conceptualization, was presented at the National Seminar at the University of Atma Jaya Yogyakarta, on September 4, 2018. The participants of the seminar consisted of several interests, namely lecturers, SOEs study forums, Indonesian Economic Association, Yogyakarta, and students. The constructs presented in the seminar were disguised, so that the appearance of the picture was different from the picture in this paper, but it remained substantially the same. The results of the seminar did not obtain records that were "disproving" the conception of IRI, meaning that the conception of IRI was considered to be understood analogically and objectively. In addition, the confirmation procedure is carried out through observations of a village-owned business entity (VOEs) about how IRI thinking has been practiced by a "village-level" state-owned company.

Various dependability and confirmability procedures have been implemented in an effort to maintain the credibility of this study (Fatchan, 2011; Creswell, 2013; Trihatmoko, 2016). As a note on this paper, general methodological exposure from "IRI-Batam FGD" will have an explanation similarity with other papers. Therefore, the methodological equation may not be able to quote each other, due to the closeness of the process of the preparation of the paper and its publication.

IV. Results

a) The Idea of Indonesia Raya Incorporated

The results of the study revealed the narratives as an overview of the idea of Indonesia Raya Incorporated (IRI) which was considered appropriate and relevant to be implemented in the management of state-owned and regional-owned enterprises. The results of the study integrated the IRI conceptions and other natural resources and strategic economic governance from several notes and recommendations on FGD results. The following are the views of the informants and notes on the FGD recommendations that have been interpreted and later also suggest for the meaning of essential contents in the preparation of the IRI conception.

Community understanding and stakeholder awareness of constitutional economic knowledge is still weak. Therefore, a theoretical review and constitutional conception in the economic field need to be developed so that it can be implemented as stipulated in the Indonesian economic constitution.

> "We shall not blame but how to be able to make it ourselves and we must look for our own mistakes. The new Constitution has the power if the people have the ability to run it" (KI.6).

> "(1) IRI is the initial concept as a solution, meanwhile, the technique can be compiled after it, since we will never know when the mafia moves, however, we often find signs. (2) Right now the momentum is right for IRI at the same time when the oil and gas contracts will expire when it is pushed to enter the government desk. (3) The results of the FGD and other thoughts to be poured in the form of Book publishing to be useful as a fundamental policy reform. (4) The operationalization of the IRI Holdings is expected to be able to control the subsidiaries. (5) Making the stages of the IRI (road map) and its operational concepts, for example, "merging" *BPD* and *Semen Padang* (name of regional bank and SOEs), since both are financially healthy" (DN).

Strategic thinking on natural resource governance by IRI has not yet been followed up by the Government of Indonesia. On the other hand, the Indonesian economic constitution has given the mandate that natural wealth and economic resources are aimed at the prosperity and welfare of the people.

> "The phenomenon showed that the economic infrastructure that is used as a railroad for wealth is barely built. Everyone wants to go to the city because there are no jobs in their area" (SI.1).

> "Indonesia has all the potential energy that can unite the nation, if and only identified, managed, used, prospered well" (KI.1).

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"(1) Indonesia has been assessed as failing to manage its natural resources, especially oil and gas, since those who enjoy the results tend to be by certain parties" private and foreign "which means that SOEs and ROEs have not fully mastered it. (2) The potential for disintegration of the Republic of Indonesia can occur by regions that are rich in natural resources, due to the unbalanced regional income and prosperity of the people is still low. (3) The potential economic resources of the Indonesian oil and gas sector with very large value can be empowered as a means of unifying the nation through the concept of Indonesia Raya Incorporated" (DN).

The conception of IRI is not only for natural resource governance, and then experts agree to be extended to other strategic economic sectors that are managed by state and regional-owned enterprises. The energy of all branches of energy production and mining, as well as other strategic economies, is expected to be able to move the future national economic conditions.

"Strong SOEs such as *Pertamina, PGN, PLN, PAM, ANTAM* and others as well as National Banks and other financial institutions must each become Economic Locomotives that will attract regional economic carriages" (SI.1).

"To accelerate the process of economic transformation and to mobilize various economic sectors in a country, there is a great need for energy. Therefore mastery of energy sources is a fundamental need for a country" (KI.5).

"(1) SOEs and ROEs that are expected to be the operationalization of natural resources governance are still in poor performance, especially that ROEs are still severe except for Regional Banks. (2) Make a formula for how natural resources are not controlled by foreign parties. (3) The need to prepare "renewable" alternative energy, with funding in part from the savings from the processing of the fossil industry" (ND).

Based on the above narratives that have been described, it can be stated that the idea of IRI is set in economic and social issues related to the management of natural wealth and economic resources. The idea of IRI gives hope of fulfilling the mandate of the economic constitution through the role and function of SOEs and ROEs. The drive to sharpen IRI's thinking and implement it is a phenomenon to be considered by the government in particular and stakeholders in general. Central and regional governments, even at the village level, as well as stakeholders in state companies, are expected to have political will towards the implementation of the IRI concept. The following is an inspirational record of observations as illustrations that encourage the argumentation of IRI's thinking to be implemented.

"In a small scale, public ownership of shares has been practiced by Village-owned Enterprises *(BUMDES: Badan Usaha Milik Desa)*, Ponggok, Polanharjo, Klaten, Central Java. Currently, the village-level state company is able to record a gross income of Rp. 14 billion per year. Each resident of Ponggok is a shareholder in a company worth around Rp. 5 million per villager. The pattern of share ownership in the cottage-owned business entity is regulated through the village government policy (Liputan6.com.Jakarta, 03/24/2017). Every month, it is estimated that villagers have the right to receive a profit share of Rp. 400-500 thousand, since they are shareholders of the company. Instead of to individual citizens as shareholders, community activity groups make monthly contributions to invest in the company owned by the village of Ponggok."

The participation of community groups within the company shows that there has been the formation of incorporation between state business groups and small micro-economic empowerment groups in Ponggok Village. The results of these observations directed the village-owned enterprises (VOEs) into the category of state companies in addition to SOEs and ROEs mentioned earlier. VOEs categorization as a state company will be seen from the views of informants who direct VOEs companies to incorporate SOEs and ROEs. Moreover, the government is now pushing village governments in all corners of Indonesia to build or establish VOEs. Factual arguments that strengthen the inclusion of VOEs, which are natural resource centers, are precisely under the direct authority of local village administrations, or villagers have the right and direct interest in these natural resources.

b) The Conception of Indonesia Raya Incorporated

i. *The Identification and Description of Themes*

The results of the study identified themes as variables for building the conceptual framework of Indonesia Raya Incorporated (IRI). The IRI themes are economic constitution, corporate strategy, central and regional government policies, company share ownership, and the role and functions of the company (Table). Each theme is described in a textual and structural manner from the results of processing and analyzing data, and is interpreted constructively to link variables. The themes in the Table do not appear evenly from the opinions of all informants, because indeed the informants have a focus on their respective fields of expertise or knowledge.

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Table 1: The Identification of Themes of Indonesia Raya Incorporated (IRI)

Informant	Economic Constitution	Corporate Strategy	Government policy	Shareholding	Roles and Functions of the Company
KI.1	starting from Article 33 paragraph 3 of the 1945 Constitution	currently invite foreign capital; professional	fix the laws and regulations	Share ownership structure	Nation's welfare; move the economy
KI.2	Article 33 of the 1945 Constitution	Presidential Decree 63 of 2004	-	opportunity to own shares	-
KI.3	Formulation of the Article 33 of the 1945 Constitution	ignored by the actors; potential to become a global player; SOE's and ROE's are not healthy	-	private ownership; domestic capital strength	Five main roles; complain of lack of supply
KI.4	Is Pancasila	-	Brawl at the national level ... local ... International	-	The creation of prosperity; dissatisfaction
KI.5	determined by the Act on its implementation	part of oil and gas products;	Ministerial decree	do not use it; investment needed	Fair and equitable; accelerated development
KI.6	-	starting from planning;	the Indonesian government must;	-	Prosperous country
KI.7	-	-	The form of government consistency	Local government as owner	regional ability
KI.8	-	-	-	revitalization	-
IS.1	philosophy of the 1945 Constitution and Pancasila; A strong foundation that drives IRI	responsible to the owner	Central Government ... Local Government	equity capital	Economic carriages; strengthen the national economy
IS.2	The basis of IRI's legality is very strong	-	-	integrate	-
IS.3	-	-	government policy,	-	-
IS.4	-	determinants of success and failure		lost power; it should be managed alone	-

Source: FGD data

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ii. *Textual Description*

- Economic Constitution

The highest law in Indonesia is the 1945 Constitution of the Republic of Indonesia. Indonesia's economic system is contained in Article 33 which substantively adheres to the principle of kinship, strategic economic control and natural resources by the state for the welfare of society. The IRI concept is intended as the implementation of the mandate of the Indonesian economic constitution, namely Article 33. IRI is an economic thought which is seen as constitutional economic practice to be applied to state and regional-owned enterprises. State or regional companies are considered to be able to act as a representation of the principle of kinship in the governance of natural resources and production branches that are important to the state and control the livelihood of many people.

Article 33 of the Constitution of the Republic of Indonesia is the basis for IRI to implement the ideology of the Indonesian state, namely the 5th Precept of Pancasila - Social Justice for All Indonesians. In order to reach the noble ideals of the Indonesian people that are just and prosperous for their people, it is necessary to have the roles and functions of state and regional companies reorganized. The rearrangement of the company will later require the support of the central and regional governments, as well as internally from the company's management. Therefore the existing government laws and regulations need to be reviewed, to what extent their enthusiasm reflects the intent of Article 33. The hope is that the roles and functions of state and regional companies can have a direct positive impact on national economy and people's welfare fairly and evenly distributed to all levels of society.

> "Action agenda, then everything starts from Article 33 paragraph 3 of the 1945 Constitution; ... "The earth, water and the wealth contained therein, are controlled by the State and used for the greatest prosperity of the people …" (KI.1).
>
> "Article 33 of the 1945 Constitution: (1) Arranges the Indonesian economy as a joint venture based on the principle of kinship, namely by making cooperatives as teachers of the Indonesian economy; (2) Organizing state-owned enterprises in production branches that are important to the State and which affect the livelihood of many people; (3) Ensuring the utilization of the earth, water and all the wealth contained therein for the greatest prosperity of the people" (KI.2).
>
> "Indonesia's economic system should be "socialism" based on the formulation of Article 33 of the 1945 Constitution, namely the state must have the right to own, manage and control the natural resources and other production branches for the greatest prosperity of the people. As economic actors, namely SOEs/ ROEs, Cooperatives & foreign and domiciled private" (KI.3).
>
> "Among the nation's unifying tools that need attention is Pancasila. Oil and gas as a tool for unifying the nation can be linked to the principle of "social justice for all Indonesians" (KI.5).
>
> "The phrase "controlled by the state" listed in article 33 is carried out by the regime in power according to its wishes or according to the political and economic climate at that time, or, determined by the Act on its implementation". Actually the abundant use of natural resources for the welfare of the people is one of the objectives of Article 33 of the 1945 Constitution: Paragraph 1: ... as a joint effort based on the principle of kinship, 2: important production branches ... controlled by the State, 3: ... earth, water and natural wealth ... for the greatest prosperity of the people, 4: ... economic democracy with the principles of togetherness, efficiency with justice, sustainability, environmental insight, independence, and by maintaining the balance of progress and national economic unity; and 5: further provisions concerning the implementation of this article are regulated in law" (KI.6).
>
> "Education will lead to the common needs of the Indonesian people and be based on a national life based on a common economy, according to the philosophy of the 1945 Constitution and Pancasila, namely "Togetherness and" (SI.1).
>
> "The strong foundation that drives IRI to be realized is - All upstream and downstream industries are controlled by Energy (Oil and Gas, Coal etc.). This is to fulfill Article 33 of the 1945 Constitution, the energy source must be controlled by the State (Center + Region) for the greatest prosperity of the Indonesian" (SI.1).
>
> "The basis of IRI's legality is very strong, namely (1) Pancasila which prioritizes mutual cooperation and kinship and unites national and national goals; (2) Archipelagic insight that animates the spirit of Indonesian Nationalism; (3) Formalism that humans "people" along with "its contents" in one" (SI.2).

- Corporate Strategies

The Indonesian economic constitution is not only Article 33 of the 1945 Constitution, but also has been regulated through other laws. Legislation is used by state and regional companies as the basis for operating a company, whether it is about capital financing or capital investment. In this context financing and investment are corporate strategies in business management.

Perspective of corporate strategies is the decision of management of state and regional companies that refers to laws and government policies. This means that the share ownership of state and

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regional companies is capital investment in accordance with the direction of the company's operational strategy. However, the corporate strategy and currently still places the government itself as the majority shareholder of the company. Meanwhile, it was assessed that currently many state or regional companies are in an unhealthy condition, while to explore natural resources requires huge capital investment and financing. Such conditions are directed by IRI that the share ownership of state-owned enterprises and their respective regions is to be owned by the central government and regional governments (incorporation). Corporate strategy on capital financing and capital investment will be implemented if the central and regional governments set new policies. Apart from that, in the practice of implementing corporate strategy professional management of resources is needed in order to achieve the success of the objectives of IRI.

"Who is the 'mastermind' in the dramaturgy play on the control of Indonesia's economic resources? The mandate of Article 33 of the 1945 Constitution, paragraphs 2 & 3, is neglected by these economic dramaturgies" (KI.3).

"However, the situation was once the Government of Republic of Indonesia, but now invites foreign capital. The concept of IRI in a long-term process and a shared opportunity in energy governance can be" (KI.1).

"…if part of the oil and gas product is confirmed by the law used for investment providing alternative energy sources that are not fossil-based and there is a change in mindset from producer energy culture to consumer energy culture" (KI.5).

"Several important stages of Indonesia Raya Incorporated, namely: (1) Consolidation; (2) Legalization; (3) Restructuring; (4) Integrated control; (5) Profitization, and others. The IRI ownership scheme needs to be sharpened so that it is more specific because whatever the title is, SOEs reform is needed. The point is that our SOEs are very potential to become global players" (KI.3).

"Adequate requirements, namely healthy and professional" (KI.1).

"Associated with the concept of IRI, the problem is that SOE's and ROE's are not healthy, how to unite a number of ROE's, 80% of loss? How is oil and gas controlled by foreigners? A ROEs that is not healthy or suspended?" (KI.3).

"IRI's conception directed that: (1) Captain and crew are not only responsible to the train owner but to all passengers who also come from other regions" (SI.1).
"To increase the exploration and exploitation of oil and gas reserves that are still left requires large capital and requires high technology" (KI.5).

"ROEs must be involved directly or indirectly in the downstream process; directly as a company that processes natural resources, and indirectly, for example as a supplier of tools, machinery or other production needs. In natural resource management, from planning, exploration (eg oil), to production and marketing, local communities must be directly involved in every decision" (KI.6).

"The factor of human resources is actually a key factor or determinant of the success and failure of an organization in achieving its objectives. The magnificent building of a company or organization, the sophisticated technology used in organizations or companies, the rigor of standards, systems, or procedures used, even the obedience of organizations or companies to national or international regulations and standards will not guarantee the organization can survive, even to grow and develop" (SI.4).

"If necessary, training centers in the fields related to exploration to natural resource production must be built in areas that have natural resources" (KI.6).

- Central and Regional Government Policies

Stakeholders who have the authority to regulate natural resource governance and strategic economic resources are the central and regional governments. Government awareness of the economic constitution becomes a very important factor, because they are the compilers of laws and policy makers for the operationalization of the strategies of state and regional companies. Various government policies through the Ministry and Presidential Decrees or Instruction will control and direct the various levels of corporate strategy of state and regional companies. Especially related to natural resources and strategic economic resources is a state wealth as a vital object for the national economy.

In this perspective, IRI directs that the operationalization of the company in terms of corporate strategy needs policy support through regulations and legislation from the central and regional governments. The policy adopted is the investment strategy for both capital and company financing. IRI's thinking directed the share ownership of state and regional companies, even though in this context the ownership portion and scheme had not been exploratively explained. Corporate strategy in terms of capital incorporation in the body of state-owned and regional-owned enterprises is expected to be a mediator for the achievement of the mandate of the economic constitution, namely the welfare of the people and national economic prosperity. Thus the direction of IRI through joint ownership of shares will lead to the roles and functions of government and regional companies for the economy of the community. Implications of IRI "forward" conditions with policies that have been established or that will be

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designed by the central and regional governments. Therefore, all this time there is still a perceived imbalance of authority between the central government and regional governments in the determination of policies.

"Furthermore, Indonesia has set oil and gas as one of the national vital objects through the Decree of the Minister of Energy and Mineral Resources Number: 3407 K/ 07/ Mem/ 2012 concerning the Determination of National Vital Objects in the Energy and Mineral Resources Sector" (KI.5).

"Formal rules, Presidential Decree No. 63 of 2004: Definition of national vital objects is the area, installation, business that involves the lives of many people or sources of income of the State. It is said to be strategic if: (1) Producing basic needs; (2) if there is a threat resulting in: (-). Disaster against humanity; (-) National chaos in transportation and communication; (-) Disruption of government/State administration" (KI.2).

"As a recommendation, the Revision of the Law on Financial Balance, Minerals and Oil and Gas. Indonesia Raya Incorporated (Holding) as a form of Government consistency with the applicable legislation. The key words are sovereignty, distribution, sustainability" (KI.7).

"The opportunities for IRI may have role to fix laws and regulations. The requirement is the need to expand the scope of holistic energy production and the courage to curb everything" (KI.1).

"Theoretically the construction of IRI, namely: (1) the Central Government provides its economic locomotives; (2) The Regional Government provides its economic carriages" (SI.1).

"The focus of oil and gas governance lies in government policy, where inequality still occurs between regions with the center and operational efficiency. IRI should have begun to become a new policy study by the government towards the prosperity of all people" (SI.3).

"In order for natural resources management to be good for all, governance needs to pay attention to the harmonization of interests among the 3 parties: (1) The national level is to pay attention to international developments and interests; (1) The international level is the need to hear the growing interest in formulating international standards; (3) Local level, namely the existing rules and procedures, must ensure that the affected communities directly benefit from natural resource exploitation" (KI.4).

"Therefore, before it is too late, the Indonesian government must emphasize through legislation that part of the proceeds from oil and gas that can still be exploited must be used for investment to find and prepare alternative energy sources" (KI.6).

"To overcome the dissatisfaction that arises in provinces rich in natural resources, especially oil and gas requires various policies that can provide incentives that can encourage these provinces to develop faster" (KI.6).

"Related to the implementation of regional autonomy, the management of natural resources must be a reference as well as a benchmark to be established and implemented in the preparation of each draft regional regulations. The central government must provide greater "power" for local governments to implement it" (KI.6).

"The central government must give greater authority to the regional government in any decisions related to natural resource management including methods of exploitation, the area to be exploited, production and profit sharing" (KI.6).

- Ownership of State and Regional Company Shares

The idea of IRI was intended to reform the pattern of share ownership between state companies and regions that had only been dominated by the central or regional governments. The conception of IRI considers various factors, mainly natural resources in areas in Indonesia that are managed by state and private companies. On the other hand, the shares of the companies in question are only dominated by the central government or by national and foreign private parties. Conversely, even if the regional company manages natural resources and its shares are only controlled by the regional government, the pattern is considered unfair within the framework of the Unitary Republic of Indonesia.

The term "merge" between a state-owned enterprise and a regionally owned enterprise has not been explicitly operationalized. However, the substance and essence are the balance of share ownership of state and regional companies, both by the central government and by the regional government or called incorporation. Restructuring the ownership of shares through the incorporation of state-owned enterprises and regions needs to obtain government support through their policies, as well as the will of the management of the company in practicing financing and capital investment strategies. The incorporation of share ownership by central and regional governments in state and regional companies is required so that the role and function of the company are in accordance with the mandate of the Indonesian economic constitution.

However, the idea of IRI are also open to the involvement of national and foreign private parties to participate in capital investments in state or regional-owned enterprises. Its interests, namely the private sector, are seen as having huge capital potential to contribute to empowering natural resources and national economic resources. The things that have happened so far, namely the national and foreign private companies

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through their corporations dominate natural resources and other economic resources, but have not incorporated national and regional companies. The dominance of state companies in the area of natural resources, as well as the domination of the national and foreign private sectors, is considered to have the potential to disintegrate the Unitary State of the Republic of Indonesia. Therefore, the proportion of share ownership of state and regional companies is expected to use the idea of IRI, but the intention of "proportion 5I%" is still not an understanding of the text by the informants. In this context, the technical or share ownership mechanism of state and regional companies by the central and regional governments or the involvement of the private sector, still needs to be explained in the IRI concept. But the most important thing is the role and function of state and regional companies aimed at the interests of economic prosperity for all parties, whether central or regional government, as well as the private sector and the general public.

"Indonesia Raya Incorporated is a merge between SOEs and ROEs in an economic resource by involving capital participation from provincial and district-level ROE's throughout Indonesia" (IS.1).

"Solutions that must be done: (1) The government must position the local government as the owner/ position as well, do not become a new occupation and be more sadistic; (2) The government must review the contract of work; (3) Inclusion of the central and regional governments needs to be prepared from the beginning, do not be sudden or late; (4) Transformation must be done when there are still many natural resources; (5) Consistent with applicable legislation; (6) Management of natural resources as a regional empowerment strategy" (KI.7).

"If we give up these scarce resources to be managed by foreigners, then our power is lost. Law No. 4 of 2009 does mandate the Indonesian government to renegotiate contracts with all foreign mining companies in Indonesia. However, the termination of the contract is far more holding the mandate of Article 33 of the 1945 Constitution"(SI.4).

"The structure of IRI's share ownership is submitted as follows: (1) State-owned BUMN or Central Government controls a minimum of 51% of the shares, while the rest can be owned by ROEs Prov. – ROEs Dist.; (2) Provincial ROEs - The Provincial Government controls a minimum of 51% of the shares, while the rest can be owned by the Regency-owned enterprises, etc .; (3) Regency-owned Regional Government-Owned Enterprises at least control 51% of the Shares, while the rest can be VOE's etc. ROEs – VOEs, VOEs can synergize in corporate participation in energy bonds as a form of joint ownership, owning all" (KI.1).

"The development of committed, loyal, highly dedicated, honest and trustworthy human resources is also not only for PT Pertamina (as the biggest energy source manager) or other SOEs, but for all organizations or companies. Other natural resources in Indonesia should also be managed by the Indonesian people themselves" (IS.4).

"The rejection of Energy Sector Workers' Union to foreign energy companies. For strategic industries *(ESDM)* it will be better managed by SOEs (Article 33 of the 1945 Constitution), if it is already done, from now on the government must have the courage to conduct a moratorium on FDI that invests in the strategic industry, the solution to foreign parties given the opportunity to have a maximum share of less than 50 %"(KI.2).

"Even though, it is still has not appear to the surface until now, one of the things to watch out for is the dissatisfaction that arises from various parties in provinces that are rich in natural resources, not to be used by foreign parties with proxy war mode to control these natural resources" (KI.5).

"That private ownership can also be interpreted as "controlled by the state", because there is a special regulation (Right to control & regulate), to the exploration and exploitation of natural resources (oil, gas, coal, etc.) that require very large investment and high risk with profit sharing patterns" (KI.3).

"All of this makes the Indonesian economy hostage to the power of foreign investors/ compradores, namely giving birth to structural imbalances in the Indonesian economy, this is the result of a very liberal law. Therefore, it is necessary to divest the control of economic resources by giving confidence in the strength of domestic capital, both the central government, regional government and domestic private sector" (KI.3).

"The underlying problem faced today is that Indonesia does not have sufficient capital and technology to explore and exploit the remaining oil and gas reserves. For example, to find a point of oil reserves in the bowels of the earth, an investment of around Rp. 13 trillion is needed. As a result, Indonesia is very dependent on foreign capital and technology from other countries to explore and exploit available oil and gas reserves" (KI.5).

"For that reason, the Crucial Note Towards the coveted IRI, namely: (1) Energy must be seen holistically; (2) Strengthening business capacity; (3) Strengthening Defense and Security; (4) Elite-Biased Extremism; (5) Revitalization of national spirit from political elements with integrity; (6) *Lemhanas* must be increased. Now the community considers that there is no alignment by the "government" there is no other institution" (IK.8).

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"The aim of IRI is as a strategic deterrent to such threats through natural resource management and economic resources by integrating SOEs and ROEs" (SI.2).

- Roles and Functions of State and Regional Companies

Economic constitution can be interpreted as a great vision or noble ideals of the nation, namely to promote economy towards people's welfare and the nation's economic prosperity. State-owned and regional-owned enterprises are corporation-shaped institutions formed and built by the government. In the perspective of state business institutions, state and regional-owned enterprises should play a role and function to carry out the mandate of the economic constitution.

Prosperity and welfare of the people, unity and economic equality in various regions in Indonesia, as well as economic sovereignty over natural resources and national economic resources are expected to be realized through a pattern of share ownership of state and regional companies incorporatively by the central and regional governments. Practically, there are still many problems that are considered not to prosper the people or to side with national independence. The realization of the great vision of the national economy through economic constitution is the essence of the idea of IRI. State and regional companies are expected to play a role and function as a driving force and empowerment through business activities to manage natural resources and national strategic economic resources. For this reason, the rearrangement of the company's stock ownership mechanism is encouraged to implement the idea of IRI.

"Five main roles of SOE, according to Article 2 of Law No. 19 of 2003, namely: (1) Encouraging National Economic Growth; (2) Providing Economic Value Added; (3) Providing Public Services; (4) Running; (4) Business Pioneer; (5) Support the Development of Micro Small-Medium Enterprises" (KI.3).

"The goal is that these economic locomotives will carry economic cars from the region to the center or vice versa or from region to region" (SI.1).

"Economic acceleration will occur with the implementation of IRI, namely IRI can bring as many economic carriages as provincial and district enterprises to strengthen the economy of each region, which automatically strengthens the national economy"(SI.1).

"Realizing the national corporation in energy governance will unite, and also realize: (1) national solidity; (2) National progress; (4) National welfare. Finally it takes courage to start and who initiates/ initiates, therefore IRI is expected to do this" (KI.1).

"This is very important on the grounds that the ability of the region to pay shares is not enough money, so that it is finally controlled by the capitalists. Kalimantan land has been controlled by conglomerates" (KI.7).

"The indications are: (1) Energy resources tend to be used to get foreign exchange rather than to move the people's economy; (3) Equitable access to energy is still low; (4) Agriculture bears the burden as a supplier of food and energy" (KI.1).

"The impact is the industrial sub-sector, fertilizer, electricity complaining of gas supply shortages. National Electrification Ratio (RE) increased from 65.8% (2009) to 67.2% (2010) and 82.37% (August 2014). However, RE varies greatly between provinces" (KI.3).

"For this reason, the hypothesis is that good natural resources governance is expected to accelerate the creation of prosperity for the Indonesian people" (KI.4).

"If oil and gas will be used as a unifying tool for the nation, then the requirements that must be met by oil and gas as one of the national vital objects is to be able to increase the prosperity of society fairly and evenly as an glue and unifying nation" (KI.5).

"Until now the provinces that are rich in natural resources are still not satisfied with the transfer of funds from the central government to the lower government, even though the area has received special autonomy. Of course this will lead to sustained dissatisfaction from the community and political elites" (IK.4).

"Energy availability is one of the components that determines the acceleration of national development and the improvement of people's welfare, especially for economic transformation from backward to advanced". (KI.5).

"With its natural resources - especially oil - which is very abundant, Indonesia should be one of the prosperous countries in the world, in addition to being just and prosperous, such as the ideals of Pancasila and the purpose of the 1945 Constitution. In fact, the Indonesian people are still far from that dream. Ironically, Indonesia's regions that are rich in natural resources, such as Papua, Sulawesi, Kalimantan, and Riau Islands, poverty is still large" (KI.6).

The meaning of the theme (Table) which has been described in the context above among one theme with another theme has a direct or indirect relationship. For example, it can be considered, when interpreting the share ownership of state and regional companies directly the description is related to corporate strategy and government policy, but also related to the economic constitution. The constructionism of relations between themes through the process of compounding analysis produces phenomenological meanings to be described in a structured or constructive manner.

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iii. *Structural Description*

Structural descriptions are prepared based on a compound analysis of the themes of Indonesia Raya Incorporated which have been described textually. The results of the analysis are explained by constructing the variable's description of premises (Pa-f) and major propositions (P1-P8). Constructionism in this structural description ultimately resulted in a construct that is the conceptual framework of Indonesia Raya Incorporated (IRI) (Figure). The following is the composition of the premises and propositions to build an IRI conceptual framework.

First, (Pa) Economic constitution is the foundation of the country's economic vision to be realized through the roles and functions of state-owned and regional-owned companies. (Pb) The economic constitution which regulates the roles and functions of state-owned and regional-owned companies is contained in the Constitution and other laws. (Pc) The operationalization of corporate strategy in the management of state-owned and regional-owned companies is based on the Constitution and the laws that are constitutionally applicable. (Pd) Corporate strategy in the framework of the company to regulate capital, namely the ownership structure of shares of state-owned and regional-owned companies; (Pe) Economic constitution is constitutionally constituted as the basis of the central and regional governments in determining their policies. (Pf) The policies of the central and regional governments need to re-regulate the share ownership of state-owned and regional-owned companies.

P1: Economic constitution indirectly directs to the roles and functions of state-owned and regional-owned companies.

P2: Economic constitution will determine the corporate strategy of state-owned and regional-owned companies in their operational management.

P3: Corporate strategy regarding company capital determines the share ownership structure of state and regional-owned companies.

P4: The Economic Constitution is the policy base of the central and regional governments related to state-owned companies and the government.

P5: Central and regional government policies will determine the shareholding structure of state-owned and regional-owned companies.

Second, (Pa) Corporate strategy in terms of capital investment and financing and other strategies needs to be supported or approved by the government. (Pb) Forms of support and approval in the form of Presidential Decrees and other Ministerial and Government Regulations. (Pc) Company management has the right to submit proposals or requests for approval to the Government to support the corporate strategy that will be operational.

P6: Every central and regional government policy will determine the operation of corporate strategy in state-owned and regional-owned companies.

P7: The design or implementation of corporate strategy encourages the central or regional government to establish new policies regarding state-owned and regional-owned companies.

Third, (Pa) Corporate strategies and policies of the central and regional governments are required to regulate the share ownership structure of state and regional-owned companies. (Pb) The regulation on the proportion and mechanism of share ownership is expected to be a direct mediator of the constitutional mandate on the role and function of state and regional-owned companies.

P8: Share ownership of state-owned and regional-owned companies will have implications for the roles and functions of state-owned and regional-owned companies.

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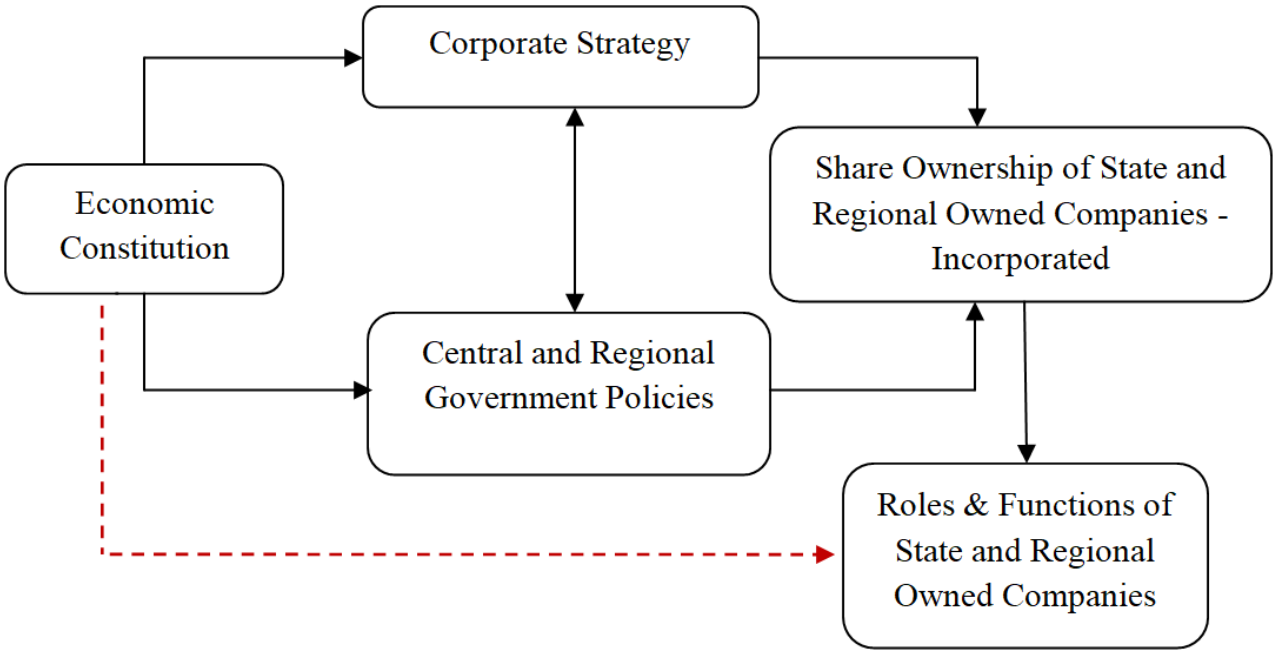

Figure 1: The Model of Indonesia Raya Incorporated (IRI)

V. Discussion and Implication

a) The Idea of Indonesia Raya Incorporated

The results of the study stated that understanding of constitutional economic knowledge by the community was still low, including by other stakeholders. This can be expected as Trihatmoko (2018) explained in the Constitutional Court Session that education in economics and business is still very limited which discusses and applies business models based on economic constitution. This phenomenon gives an implicative signal to the concepts and theories in the field of economics and management to be extended its context is based on the economic constitution, according to the constitution of the country where the science is taught.

The results of the study reveal that Indonesia's economic constitution has given a constitutional mandate that is natural wealth and economic resources aimed at the prosperity and welfare of the people, which are based on joint efforts and kinship. This is in accordance with the vision or essence of the objectives of the Indonesian economic constitution, Article 33 of the NRI 1945 Constitution, so that these findings are in line with the Murakabi Economic literature view by Trihatmoko (2018) and the results of Trihatmoko and Susilo (2018). Like the village of Ponggok, it has practiced a greedy economic system through the role and function of VOEs in managing economic resources in the village murakabilistic. This discussion indicates that the implications of IRI's thinking lead to SOEs share ownership, ROEs and VOEs by the wider community nationally, meaning not just marriage/ inclusion between SOEs, ROEs and VOEs. Thus it is expected that the state companies are expected to implement a greedy business pattern such as Trihatmoko's conception (2018). The results of the study provide a prospect that the conception of IRI is not only for the management of natural resources, meaning that it includes other strategic economic sources, so that it is expected to be able to move the national economic conditions forward. This finding confirms the conception of the management of state asset ownership by Trihatmoko and Susilo (2018), namely encouraging the government to issue new economic policies. The aim is to eliminate the gap in state asset ownership between SOEs, ROEs and the private sector, so that the impact is expected to be able to provide people's welfare and equitable distribution of development nationally.

b) The Conception of Indonesia Raya Incorporated

Efforts from this study have successfully proposed a new concept, namely a construct of Indonesia Raya Incorporated (IRI) (Figure). Theoretical review of the relationship between the variables of economic constitution, corporate strategies, share ownership, and the role and function of a company is a process or flow of thinking framework, so that it is not only causality, causality, but holistic. The IRI concept has implications for the expansion of the management of state asset ownership by Trihatmoko and Susilo (2018). IRI is as a coping tool of the ownership gap of state assets, which is considered no longer in line with the direction of Indonesia's economic constitution (Trihatmoko, 2018; Trihatmoko and Susilo, 2018).

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The point of view through abstract thinking from IRI's conception is that the economic constitution targets the SOEs and ROEs roles and functions, including VOEs as a play maker of Indonesia's national economic journey. To reach this target, the main mediator believed by IRI's thought is the pattern of ownership of corporate shares that are legal entities owned by the state, region and/ or village. If the composition of share ownership as currently in effect is only focused on the government or corporations, as well as certain private entities, SOEs and ROE are not in accordance to the spirit of Indonesia's economic constitution. However, on the contrary that is in accordance to the mandate of the Indonesian economic constitution in the idea of IRI's that ownership must be proportionally incorporated between the central, regional, private, and even the public.

The discussion points lead to share ownership of state-owned companies to all public interests that are constitutionally entitled to share ownership. Thus reaffirming that the IRI conception adheres to the paradigm of murakabism by Trihatmoko's (Trihatmoko and Susilo, 2018; Trihatmoko, 2018), or not the view of neo-liberalism or socialism. According to Trihatmoko (2018) that a greedy economic system is a pattern or mechanism of national and global economic governance with a contemporary approach, or in the context of this paper as the implementation of Pancasila, especially the 5th Precept (Trihatmoko and Susilo, 2018).

IRI's conception illustrates that share ownership can only be changed or "retained as it is now" is very dependent on two factors, namely central and local government policies, and SOEs and ROEs corporate strategy. Both of these factors constitute a unified state mission to their inseparable corporations, so that the two are closely related. The effectiveness and accuracy of central and regional government policies, as well as corporate strategies are highly dependent or based on the meanings of elaborating economic constitutions. Foresight and accuracy to interpret the phrases of each article in the constitution relating to the economic system with SOEs and ROE's governance will have direct implications for central and regional government policies, as well as the state-owned corporate strategy "SOEs and ROEs". In short, it can be formulated that the relationship between the economic constitution and the roles and functions of SOEs and ROEs is an "abstract" indirect way of thinking. This is due to that the essence is centered on central and local government policies, and corporate strategy in terms of rearranging the ownership of the company's shares "SOEs and ROEs".

Based on the overall findings and discussion of this study, the substance of idea and concept of IRI has implications for the national and global economic systems. The business practices of state-owned legal entities are based on the country's economic constitution. It is not necessarily to have the same meaning to the country's economic constitution with one another among countries. For that reason, the conception of IRI in the context of management of ownership of state assets will have implications for the strategic management of multinational companies in Indonesia. The emergence of contradictions and debates between national economic interests and global interests it is better to make efforts to create a balance or harmonization between the national economic systems of a country with the economic intelligence of other countries. This is to provide direction-answers to the phenomenon that occurs, namely the description of several regions in Indonesia, multinational companies have dominated the processing of natural resources (Trihatmoko and Susilo, 2018).

VI. Conclusion & Recommendation

The study entitled Indonesia Raya Incorporated (IRI) has described, explained and described the idea and conceptions of IRI, and those have been discussed in this paper. Based on the findings and discussion on the presentation in the future, the following can be concluded along with recommendations from the results of the formulation of this study.

First, IRI is a new idea on the management of natural resources by state-owned enterprises (SOEs) and regions (ROEs), and is also expected to govern other strategic Indonesian economic resources. As an argument that the IRI concept is in accordance to the mandate of the Indonesian economic constitution in the context of exploring natural wealth and empowering other strategic economic resources aimed at the prosperity and welfare of the people, so that it is expected to be able to move the national economic conditions forward. However, the community and various stakeholders still do not understand the essence of Indonesia's own economic constitution, so that the idea of IRI is still stalled or not implemented by SOEs and ROEs.

Based on this conclusion, it was recommended to: (1) the central and regional governments, as well as their legislator ranks to socialize and deepen IRI's thinking in relation to Indonesia's economic constitution; (2) experts in the field of constitutional law and economics so that they focus on directing views on a variety of barriers, as well as government regulations related to economic governance, natural resources, SOEs and ROEs roles and functions. Thus the results of the discussions can be used as a sharpening of the relationship between economic constitution, the interests of the community and the state's vision to find points of understanding with the idea of IRI.

Second, the conception of IRI seeks to explicitly practice the economic constitution through the roles and functions of SOEs and ROEs, including other business

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institutions, namely village-owned enterprises (VOEs). The IRI implementation focuses on the mechanism or ownership pattern of SOEs and ROEs company shares, including VOEs, incorporation. To be able to implement the mechanism for the incorporation of share ownership, it is necessary for central and regional government policies to support the implementation of the "SOEs and ROEs" corporate strategy. The rational reason is that government policy will become the foundation of SOEs management and ROEs as a protection/ legal basis for the corporation they lead.

It is recommended for the central and regional governments to take appropriate policies and in accordance with the economic constitution and dare to start implementing the IRI concept. "VOEs in Ponggok can be used as a mirror that the murakab business has already been practiced by the village government, meaning that the lower class society has gone beyond the elite's initiative". The policies of the central and regional governments are the key to the "responsible" door for the implementation of the IRI concept so that SOEs business and ROEs are murakabi for all Indonesian people. Furthermore, economists who are on the side of the government are recommended to provide their ideas openly and can be discussed with experts from academia who support the idea of IRI. Thus, at the same time it can bring together the thoughts between the world of practice and academics which are often "perhaps in contrast to interests" between them.

VII. Limitation and Future Research

This paper focuses on the remembrance of the emergence of the phenomenon of Indonesia Raya Incorporated (IRI) thinking, as well as building the IRI's conceptual framework. Meanwhile, IRI is a big thought since it collaborate various perspectives of economic and management knowledge, and social. Data collection in the "FGD" methodology is limited to the horizon of Indonesia's economic constitution. On the other hand, each country has an economic constitution that may be different from the Indonesian constitution. Reviewing at some of the limitations in this paper, the following suggestions are proposed for the future researchers.

First, studies and IRI-themed research are still open to be developed in the future, so that researchers have the opportunity to do further studies. IRI's conception can be used as a framework in the perspective of the management of state asset ownership, and leads to poor business patterns for SOEs, ROEs, and VOEs. Corporate management and corporate governance models for state-owned companies still leave opportunities to be deepened by researchers. Next there is still homework on the rules of the game or the mechanism of sharing/ incorporating portions of SOEs, ROEs, and VOEs shares fairly, so that the opportunity for further study arises in the political economy and/ or state law.

Second, further studies can be conducted on how SOEs governance, ROEs and VOEs are practiced based on Indonesia's economic constitution, or for countries outside Indonesia to be practiced according to their economic constitution. In the end, IRI-like research is expected to contribute to fields: constitutional economics, political economy, development economics, state asset ownership management, and corporate strategy and corporate management of state, regional or village-owned enterprises. For this reason, the concept building of IRI (Figure) can be replicated or expanded as a generalization of theories related to the economic and management context with SOEs business, ROEs and VOEs in every country without exception to what the economic system that being adopted by them recently.

Third, other research methodological approaches can be used in the implementation of the study opportunities suggested above, so that the results of the research will contribute to the expansion of the conception and theorization of the results of this study. Likewise, for different objectives and research contexts with the topic of this study can adopt the methodological design of this study, namely the qualitative method using a narrative and grounded theory approach, and constructivism.

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