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COVID-19 ALERT
Cases: 4,580,093
Deaths: 144,719
Recovered: 4,202,312

Govt expresses support for publishers' rights regulation

Dian Septiari

The Jakarta Post/Jakarta

The government has expressed its support for a draft regulation that would make news aggregators on digital platforms pay publishers for displayed content, in a move aimed at providing a level playing field between domestic news industries and digital platforms.

The proposed regulation, which was drafted by the Press Council and media associations, was designed to address the complaint of publishers that have been losing advertising revenue to online aggregators. They claim tech giants are benefiting from using news content in search results or other features without providing the publishers proper compensation.

Coordinating Political, Legal and Security Affairs Minister Mahfud MD said the government was committed to providing protection to mass media organizations that produce news content while maintaining responsible press freedom and strengthening the role and position of the press in running their business.

He added that the commitment was the realization of President Joko "Jokowi" Widodo's remarks on National Press Day, which is commemorated every Feb. 9. During his speech, the President ordered relevant stakeholders to formulate regulations governing the relationship between media companies and digital platforms.

"The news publishers provide quality information with attention to quality journalism and democratizing the flow of information, while the owners of the digital platforms aim to profit as much [as possible]," Mahfud said via teleconference on Tuesday as part of a National Press Day celebration.

"That's why the President ordered relevant ministries and institutions to formulate a regulation that will govern the relationship between publisher and digital platform."

Mahfud said the government was still considering whether to issue a law or a government regulation based on existing laws, such as the Electronic Information and Transactions (ITE) Law, the Broadcasting Law or the Press Law.

He said the Office of the Coordinating Political, Legal and Security Affairs Minister had received a proposed draft of the regulation from the Press Council, which was largely modeled after Australia's News Media Bargaining Code, and added that the office was working closely with the Communications and Information Ministry on the issue.

Separately, Communications and Information Minister Johnny G. Plate said a law might take longer to pass than a government regulation, though the former would have greater legitimacy because the digital and commercial sectors involved many technical issues.

To turn the proposal into an actual policy, the government has several options, he added, one of which was to include publishers' rights in a revision of the ITE Law currently being discussed at the House of Representatives.

Alternatively, if Indonesia wanted to follow the Australian model, the proposal would be included in the business competition section and come under the purview of the Trade Ministry. If the proposal was made to be based on the Copyright Law, it would be under the Law and Human Rights Ministry, Johnny said.

"All in all, we must review and properly [pass the regulation] according to the mechanism for making laws," he said.

"I have read and reviewed the draft of the Press Council; it needs revision, involving academic input so that it can fulfill the substance and formalism requirements and proceed to the next step."

Agus Sudibyo from the Press Council said the council was collaborating with legal drafters from Padjadjaran University to make a second draft.

The Press Council's proposal outlines a mechanism for tech companies and news publishers to decide fees and the new responsibilities of platforms in filtering online content.

Tech companies may first make a blanketing initial price offering for all news publishers. If publishers reject the initial offer, the proposed regulation will require tech platforms to individually negotiate fees with publishers under the supervision of the News Media and Digital Platform Bargaining Agency, a new body that will be established to oversee the negotiation.

Meanwhile, Indonesian Chamber of Commerce and Industry (Kadin) chairman Arsjad Rasjid said that in addition to dealing with how information was published, the proposed regulation must also address how algorithms could stay "ethical" and "adapt to our culture and values".

"It is necessary to look deeper into the ethical side of the algorithm, which might finally be able to answer the question of how social media can become a source of information," he said.

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Hybrid learning



Antara/Aprillio Akbar

Isna, a teacher at SD Duren Tiga 09 Pagi state elementary school, South Jakarta, readies her phone before class on Tuesday. The Jakarta administration is permitting schools to move to hybrid learning because of rising COVID-19 cases.

Pandemic accelerates deindustrialization in RI

Manufacturing accounts for shrinking share of GDP, employment

Dzulfiqar Fathur Rahman

The Jakara Post/Jakarta

The COVID-19 pandemic may have expedited the deindustrialization of Indonesia's economy as businesses and workers have been pushed out of the manufacturing sector.

The share of manufacturing in the country's gross domestic product (GDP) in 2015 prices shrank to 20.08 percent in 2020 from 20.26 percent a year earlier, according to United Nations data.

Andry Satrio, who heads the Center of Trade, Industry and Investment at the Institute for Development of Economics and Finance (Indef), said he was hoping this decline would prove temporary.

Such a decline did not occur during the Asian financial crisis in 1998, which sent the country's economy into a recession.

While the pandemic-induced decline appears small, it follows a downward trend that began in 2005, a year after the portion of manufacturing in the overall GDP value peaked at 23.68 percent.

The share of manufacturing in the country's economy peaked at a time when Indonesia's GDP per capita (in 2017 international dollars) was just US$6,424, World Bank data shows. This was less than one-fourth of South Korea's per-capita GDP when its manufacturing sector share peaked in 2011.

Andry said deindustrialization took place in virtually every country sooner or later, but it should not happen prematurely.



"The problem is that our industries have not developed fast and have not reached their optimal point, but [the economy] is already shifting to the service sector," Andry told *The Jakarta Post* in a voice note on Thursday. "This is unfortunate."

The pandemic upended the manufacturing sector further, as companies faced temporary closures and supply chain disruptions.

The manufacturing purchasing managers' index (PMI), a gauge of factory activity at 400 companies surveyed by London-based data firm IHS Markit, fell to a record low reading of 27.5 in April 2020.

The Delta wave of COVID-19, which peaked in July 2021, disrupted the sector's recovery and led the PMI to fall to 40.1 that month, far below the 50-point threshold separating expansion and contraction.

While factory activity has shown signs of expansion over the past five months, manufacturers still reported in January some shipping delays and high transportation costs, according to IHS Markit.

The pandemic also led to a decline in the share of manufacturing-sector employment to 13.77 percent in 2020, down from 14.38 percent a year earlier, based on data from the International Labor Organization.

The decline disrupted the slow expansion in the sector's employment seen at least since the mid-1970s.

When the country faced a recession in 1998, the share of manufacturing employment also declined to 11.33 percent from 12.89 percent a year earlier. At the same time, the share of agricultural sector employment expanded to 44.95 percent from 40.73 percent a year earlier.

A similar phenomenon occurred in 2020, as many workers returned to their rural hometowns to work in farming following pandemic-induced layoffs and business closures.

Bob Azam, the deputy chairman for labor affairs at the Indonesian Employers Association (Apindo), said he was expecting a "new equilibrium" in manufacturing, employment and technology.

The pandemic has accelerated the technological revolution in the manufacturing sector, but whether there will be a reduction in the workforce is up for debate, according to Bob, who serves as a director at automaker PT Toyota Motor Manufacturing Indonesia.

In the automotive industry, for example, automation meant a reduction in the employment of operators but an increase for maintenance, Bob said.

"Clearly, the labor quality in demand will be higher," Bob told the *Post* in a phone interview.

"There will be a shift in labor demand, so we need to prepare for mitigation [efforts], namely retraining."

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Coming your way



Antara/Ahmad Subaidi

Workers unload MotoGP logistical supplies from a Qatar Airways Boeing 777 freighter at Lombok International Airport in Central Lombok, West Nusa Tenggara, on Monday. The flight carried motorcycles and other supporting equipment to be used at the upcoming preseason MotoGP race at Mandalika Circuit from Feb. 11 to 13.

Ukraine crisis, ASEAN forays to test Biden's focus

The Jakarta Post

Jakarta

United States President Joe Biden is expected to host the leaders of ASEAN for a special summit in March in a show of commitment to the region, officials have confirmed, despite the pressing matters that the US faces elsewhere.

Washington has slowly ramped up its engagement with ASEAN and other partners and allies as part of its wider Indo-Pacific strategy, roundly considered as a vehicle for it to contain China's growing regional influence.

But the Biden administration still has a lot to prove for its commitment to maintain peace and stability in Southeast Asia and the wider region, especially amid tensions with Russia in Ukraine that could still result in an all-out war.

Over the weekend, Cambodian Prime Minister Hun Sen published his correspondence with Biden from earlier this month, in which he thanked the US leader for the invitation to the forthcoming US-ASEAN summit in Washington.

Hun Sen, in his capacity as ASEAN leader for this year's Cambodian chairmanship, expressed his confidence in the summit, saying in a letter dated Feb. 1 that the meeting would "provide a good opportunity for us to exchange views on how to further advance ASEAN-US cooperation".

With Indonesia coordinating ASEAN-US cooperation this year, officials from Jakarta and Washington have been working closely together to find the right timing for the meeting, especially as it is to be carried out in person.

The Foreign Ministry's ASEAN affairs director general, Sidharta Suryodipuro, told *The Jakarta Post* that while the final date of the summit had yet to be confirmed, it would most likely happen sometime in March.

The summit follows up on a string of senior-level US visits to the region, including that of US Vice President Kamala Harris to Singapore and Vietnam and Secretary of State Antony Blinken to Indonesia and Malaysia.

As an ASEAN dialogue partner, the US is meant to regularly meet with ASEAN member states to discuss cooperation and issues of common interest.

It was only during former president Donald Trump's administration that engagement became considerably sparse, said Indonesian foreign policy scholar Dewi Fortuna Anwar.

Analysts like Dewi say that the US-ASEAN special summit was originally scheduled to be held as a means to undo Trump's offenses — the divisive leader attended just one ASEAN summit in his four-year administration.

He also recalled the US envoy to ASEAN at the time and placed a number of Southeast Asian nations on a trade hitlist, used as a nontariff means to improve trade deficits.

Washington had contrived to invite ASEAN leaders for the special summit in Las Vegas in March 2020, but the plan was put on ice due to the global spread of COVID-19.

It remains to be seen how the US will manage relations with ASEAN and the wider region, especially considering the escalating crisis with Russia over Ukraine.

Dewi said that as a global power, the US was expected to engage on multiple fronts; in addition to dealing with crises in Eastern Europe and the Middle East, it was also competing with China for influence in the Indo-Pacific.

Over the past few weeks, US officials have sounded the alarm over the presence of more than 100,000 Russian troops near the Ukrainian border, sparking fears of an impending invasion. Last week, the US sent thousands of soldiers to Romania, Germany and Poland to bolster NATO forces.

"That's a test for the US as a global power, it must have the capacity to play in several theaters at once — or it will lose," Dewi said.

"The US cannot afford to stay absent, because when Trump was absent from the region, that's when China's posture grew."

— JP/Dian Septiari

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US-born Gu wins thrilling Big Air gold for China



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Indonesian Icons: The get-together tradition of 'arisan'

Reclaiming the role of the press as the fourth pillar of democracy



COMMENTARY

Endy Bayuni
Senior editor at The Jakarta Post

The press as the purveyor of news and information is struggling — globally and not just in Indonesia. The digital disruption is hurting it so that many platforms are financially bleeding, and with fierce competition from millions of non-journalists who are also disseminating their own work, their journalists are rapidly losing their audiences and influence.

But the wrong response to these trends could soon lead it to even lose its raison d'être: as an institution that provides checks and balances on the powers that be, which is essential for a functioning democracy.

The press as we know it is undergoing an identity crisis to the point it may be worth considering changing the name "National Press Day", which falls on Feb. 9, to something that is more 21st century. The term "press" originates from the printing presses used in the past to produce newspapers, long before radio and television came on the scene, and even longer before the internet and social media era.

Insisting on calling it the "press" only further condemns both the industry and the journalism profession that comes with it into the annals of history, which is where they are heading now.

The alternative names given are not exactly fitting. There is nothing "mass" about the media institutions even if they have gone online, and there is even less that is "mainstream" about them when they no longer command large audiences. Calling them "legacy" media makes them antiquated.

It was not long ago, before the internet era, that the press could claim its place as the fourth pillar of democracy. It was the eyes and ears of the public in keeping accountable the other three pillars — the executive and legislative branches, and the judiciary. Democracy cannot function without a free and independent press, which in turn derives its power as a quid pro quo from the people.

That was true then, and it should be even truer in today's information ecosystem. That is not the case, however, as the watchdog role seems to be missing, diluted or barely heard in the chaotic digital news landscape.

Disseminating news is no longer the monopoly of the media institutions. Bloggers, citizen journalists and social media users are also putting out their news and information, at times even going viral. To complicate matters, trolls are posting misinformation and disinformation on the internet.

As the internet becomes the main platform for media institutions to disseminate news, they find they must share the field with millions of others. Gone are the days when newspapers and television or radio broadcasters had control over the flow of news and information, to the point of even setting the national agenda.

Unfortunately, in the migration to the digital world, many media institutions are discarding the principles of good journalism in the competition for clicks and views. When they set speed as the overarching goal, they sacrifice accuracy and fairness, the two chief tenets of journalism. When they do this, it becomes harder for the audience to distinguish them from the other news purveyors.

Media institutions can still create a niche in this big landscape and stay relevant by staying above the fray, rather than trying to stay ahead of the game. It is journalism that in the end distinguishes them from the rest.

Speed may seem important in this digital era, but in journalism it should never trump accuracy and fairness. Many media institutions have built their name and reputation in the print and broadcasting world for decades by upholding the tenets of good journalism, verifying stories and making the point of covering both sides to earn public trust.

Such practices take time, but that should not change in the digital world despite the competition. Abandoning these principles would be the death knell of journalism.

Even with diminishing audiences and influence, media institutions and their journalists still have a crucial role to play to support democracy today: providing news people can trust.

The audience today may enjoy the wider array of choices for news and information the internet offers, but they know where to go for credible and trustworthy news. As the landscape is bombarded with misinformation and disinformation, the presence of media that practices good journalism becomes more important than ever.

If democracy has suffered in recent years, one explanation is because of the declining role of the press in carrying out its mandate as the fourth pillar. In its struggle for survival and staying relevant, many media institutions and journalists have abandoned their watchdog role to keep those in power accountable. There is strong evidence that governance in the other three pillars has gone almost unchecked in recent years, particularly during the COVID-19 pandemic.

In reclaiming its role as the fourth pillar of democracy, the press must know that its future hinges not only on its ability to raise the finances needed and to come up with business models appropriate for the digital world but, more importantly, on its ability to nurture public trust and support.

That role is not given for free. Journalists must stay true to the profession, and the ethics that come with the profession, to serve the people and to serve democracy.

India may have anti-Muslim firebrand as future PM

Abhaya Srivastava

Agence France-Press/New Delhi

A monk known for his incendiary anti-Muslim rhetoric leads the Hindu nationalist Bharatiya Janata Party (BJP) into elections in India's most populous state Thursday, where a strong win could put him in pole position to succeed Prime Minister Narendra Modi.

Yogi Adityanath, 49, has stirred controversy since his surprise appointment in 2017 as chief minister of Uttar Pradesh, a state in northern India home to over 200 million people — more than the entire population of Brazil.

Office has done nothing to temper his views, and as he seeks a second term he is exhorting Hindu voters to back the BJP while riding roughshod over Muslims who make up one-fifth of the state's population.

A hardline protege of Modi, Adityanath has soared in popularity beyond Uttar Pradesh, thanks to his fiery speeches and projection as a tough, no-nonsense administrator.

"He is brazenly open about his Hindu politics and ideology [...] He has projected himself as a Hindu leader and that's what brings him crowds and votes," said journalist and political commentator Sunita Aron.

"When he does Muslim-bashing, he grabs eyeballs and audiences."

In the run-up to the bellwether polls this week, the saffron-clad monk did not mince his words, saying it would be a fight between "80 percent and 20 percent", referring to the state's demographic split on religion.

Crowds thronged one rally for a glimpse of the ascetic, despite coronavirus restrictions, cheering loudly each time he made a mocking reference to Muslim voters.

"They are worshippers of Jinnah," he tweeted last month, referring to Mohammad Ali Jinnah, the founder of India's archrival neighbor Pakistan.

"Pakistan is dear to them, we sacrifice our life for Maa Bharati [Mother India]."

Sacred cow

Born Ajay Singh Bisht, Adityanath comes from a humble background; his father was a forest ranger and he was one of seven siblings.

While studying mathematics at university, Adityanath became an activist in the student wing of the Rashtriya Swayamsevak Sangh, a right-wing Hindu organization considered the ideological fountainhead of the BJP.

After graduating, he became a priest of Gorakhnath Temple, known for its strong Hindu supremacist tradition, and at the same time went into politics, elected to parliament for the first time in 1998 aged just 26.

Along the way, he founded a vigilante youth army named Hindu Yuva Vahini.

Volunteers of the group regularly rough up Muslims accused of slaughtering cows or "love jihad" — a term used by nationalist extremists to accuse Muslim men of seducing Hindu women in order to force them to convert.

Cows are considered sacred by Hindus and their slaughter is banned in many states, including Uttar Pradesh.

Adityanath himself has several criminal cases pending against him in various courts.

In 2007, he spent 11 days in jail for trying to foment communal tension. In one speech he vowed: "If they [Muslims] kill one Hindu man, then we will kill 100 Muslim men."

But his notoriety did nothing to impede his twin-track progress; in 2014, he was appointed head priest of his temple.

After taking the reins as chief minister three years later, Adityanath announced curbs on slaughterhouses and on the use of loudspeakers for the Muslim call to prayer, fueling an atmosphere of fear and intimidation.

Indian media reports say more than 100 alleged criminals — most of them Muslims or low-caste Dalits — have been extrajudicially killed by Uttar Pradesh police under his administration, a charge Adityanath denies.

Heir apparent?

His political style aligns firmly with his party, which has been accused of fueling religious intolerance for electoral gain, calling into question India's long-cherished secular and democratic credentials.

Adityanath also appears to be a complementary foil to Modi, driving the party's Hindu majoritarian agenda with ferocity while the prime minister is to some extent constrained by the obligations of his office.

Within the party, he is seen as a possible successor to Modi, who is 20 years his senior.

A strong showing in the election — which extends over seven rounds of voting before counting in early March — will bolster that status.

Opinion polls put the BJP at around 43 percent, well ahead of the socialist Samajwadi Party and easily enough for an absolute majority.

All tired out



Antara/Basri Marzuki

People tie down a crocodile to be released into the wild in Palu, Central Sulawesi, on Monday. The reptile had been captured to remove a used tire from around its neck. Locals said the animal was first spotted stuck in the tire in 2016.

Philippines kicks off chaotic election campaign season

Polls show Ferdinand Marcos Jr. heading toward landslide victory

Agence France-Presse

Manila

The race to lead the Philippines kicked off Tuesday, with the son and namesake of former dictator Ferdinand Marcos the favorite to succeed authoritarian firebrand Rodrigo Duterte and return his clan to the presidential palace they once fled.

Candidates hit the hustings for the three-month campaign season in a chaotic and colorful charm offensive aimed at wooing millions of voters typically more interested in personality than policy.

More than 35 years after the country emerged from his father's dictatorship, polls showed Ferdinand Marcos Jr. heading toward a landslide victory in the May 9 elections.

Boosted by a massive social media campaign and a formidable alliance with first daughter and vice-presidential candidate Sara Duterte, Marcos Jr — one of the most polarizing figures in the Philippines — has vowed to "unify the country".

"This is not the time and place to be arguing about the history of the Philippines," Marcos Jr. — a supporter of Duterte's deadly drug war — told broadcaster GMA on Saturday.

"We need to talk about and discuss what we need to be doing in the next few years in order to give back jobs to people so that they will have money in their pockets."

Incumbent Vice President Leni Robredo — a former lawyer for the disadvantaged and a rival of Marcos Jr. and Duterte — is a distant second in voter surveys.

Kicking off her pink-colored campaign in Lupi town in the central province of Camarines Sur, Robredo told supporters she was "filled with courage because you are with me".

Robredo is ahead of celebrity mayor Francisco Domagoso, boxing superstar Manny Pacquiao and ex-police chief Panfilo Lacson.

"The overwhelming presidential favorite remains Marcos," said Eurasia Group analyst Peter Mumford, giving the former senator "70 percent odds" of winning.

"Many of Duterte's 'pro-authoritarian' supporters see Marcos as the continuity 'strongman' candidate," Mumford said.

Ultimate comeback

Outgoing presidents usually identify their preferred successor, who they hope will keep them out of prison as much as protect their legacy.

Duterte, who is constitutionally barred from seeking a second six-year term, had chosen loyal aide Senator Christopher Go to replace him, but he pulled out of the contest.

On the eve of the campaign season, Duterte, who has previously accused an unidentified presidential contender of snorting cocaine and described Marcos Jr as "weak", said all candidates "are my friends" and he would not endorse anyone "at this time".

Victory for Marcos Jr. would be the ultimate comeback for the controversial family, which was chased into United States exile after the patriarch's humiliating downfall in 1986.

The dictator oversaw widespread human rights abuses to maintain his control of the country and enable his massive plundering, with thousands of people killed or tortured, according to previous Philippine governments.

Opponents seeking to block another Marcos presidency have filed petitions with the Commission on Elections to have the son thrown out of the race over a previous conviction for failing to file income tax returns.

He has already beaten one of the challenges, but a key ruling on several disqualification cases has been delayed.

Even if Marcos Jr. were kicked out of the race, election rules would allow another member of the Marcos family to take his place.

He has defended his father's rule by citing economic growth and minimized the human rights abuses during that regime — messages that have been amplified by a huge social media campaign that critics say is using misinformation to rewrite history.

But persistent questions over his family's past and alleged ill-gotten wealth have become a source of irritation.

He has snubbed invitations to participate in interviews or forums with rivals, and told a journalist he would no longer "return to 35-year-old issues".

Robredo, who narrowly defeated Marcos Jr. in the 2016 vice-presidential race, reluctantly entered the presidential contest following pressure from supporters and opposition groups.

While her volunteer-driven campaign has struck a chord with progressives, her mild-mannered personality is hurting her appeal in the deeply macho country.

US defends warnings in standoff with Russia over Ukraine

Francesco Fontemaggi

Agence France-Presse/Washington

Faced with accusations of "alarmism" over a possible Russian invasion of Ukraine, Washington is on the defensive over the credibility of its warnings, even as it keeps certain cards close to its chest.

"This is not alarmism. This is simply the facts," United States Secretary of State Antony Blinken said Monday in a press conference.

Washington in the autumn started sounding the alarm over a massive buildup of Russian troops on its border with Ukraine, accusing President Vladimir Putin of planning a massive attack.

In recent days, President Joe Biden's administration leaked what US intelligence deems the current situation on the border.

Russia already has 110,000 troops on its ex-Soviet neighbor's frontiers, nearly 70 percent of the 150,000 needed for a full-scale invasion, which could be launched by mid-February, according to the intelligence.

But key players have sought to tone down the alarm.

"Do not believe the apocalyptic predictions," Ukraine's Foreign Minister Dmytro Kuleba tweeted on Sunday.

In a small concession, the White House last week walked back on qualifying a potential invasion as "imminent".

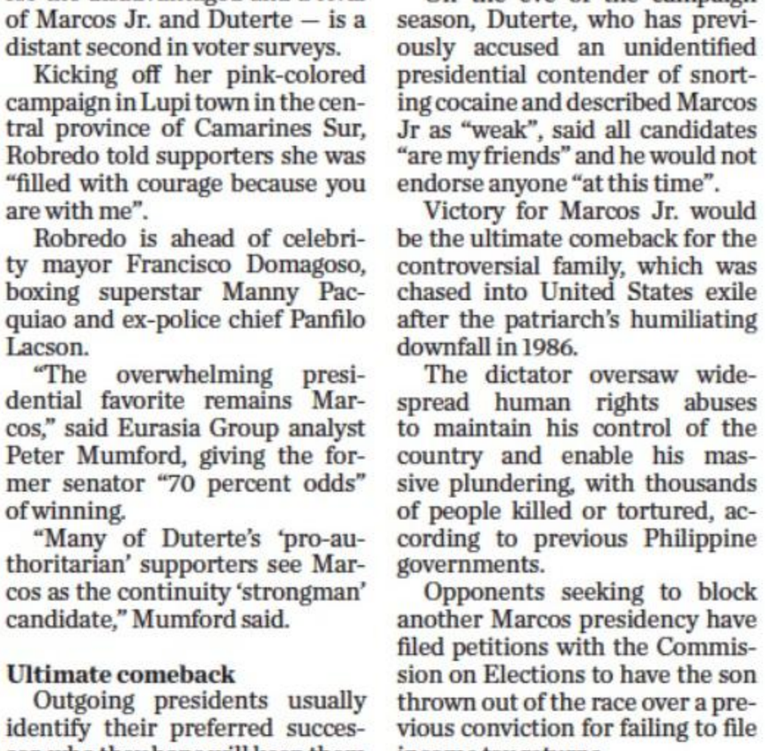
This was not long after European authorities had expressed irritation at US rhetoric on the crisis.

"We know very well what the degree of threats are and the way in which we must react, and no doubt we must avoid alarmist reactions," European Union foreign policy chief Josep Borrell said at the end of January.

However, on Monday, side by side with Blinken in Washington, he seemed more in step with the Americans.

"We are living, to my understanding, the most dangerous moment for security in Europe after the end of the Cold War," Borrell said.

"140,000 troops massed on the border is not to go to have tea."



Reuters/Carlos Osorio

Stop the war: People carry placards as they rally in support of Ukraine during a protest outside the Consulate General of the Russian Federation in Toronto, Ontario, Canada, on Monday.

'Tailored for political means'

For Nina Khrushcheva, international affairs professor at New York's New School, Washington is in danger of crying wolf.

"The problem with the US credibility is that they've been talking about the imminent invasion for three months now," she told AFP.

"The United States intelligence, we know, not only it's not always perfect, but it's also often tailored for political means."

She cited examples such as the alleged weapons of mass destruction used to justify the 2003 attack on Iraq that were never found, and more recently, the Central Intelligence Agency's (CIA) failure to predict the swift collapse of the Afghan government following the US withdrawal.

An exchange at the State Department's daily press conference on Thursday illustrated a certain discomposure on the part of the US government.

Washington had just claimed to have evidence that Moscow was planning to film a fake Ukrainian attack on Russians to create a pretext to invade.

Pressed on the evidence for such a plot, State Department spokesman Ned Price dodged the issue, saying only the information came from US intelligence and that the decision to make it public was a sign of confidence.

"If you doubt the credibility of the US government, of the British government, of other governments, and want to find solace in information that the Russians are putting out [...]," Price said in a tense exchange.

The lack of details on the information is understandable for Khrushcheva.

"It is intelligence, so of course, no intelligence evidence should be, or is usually, shared," she said.

"It's entirely possible of course, the Russians are preparing both for a [false] flag operation or some kind of propaganda campaign, disinformation campaign. Once you cry wolf way too often [...] it doesn't mean the wolf is not coming, but you have to be careful on how long and how forceful you cry."

'Difficult balance'

Caught in the crosshairs, Washington has tried to explain itself, without revealing more.

"The best antidote to disinformation is information, and that's what we've sought to provide to the best of our ability," Blinken said on Monday.

His spokesman also tried to smooth things over.

"I will certainly never be able to give you the proof that you, I'm sure, want," Price said.

"We are trying to strike a very difficult balance" between saying too much and not enough, he added.

"Even as we seek to expose Moscow's efforts, we don't want to jeopardize or potentially jeopardize our ability to collect this kind of information going forward."

In loving memory of



Katrina Setiadi

20 September 1919 – 3 February 2022

For the last few days, we have been overwhelmed by the loving messages from our friends and family. We are sincerely grateful for all the moral and material support sent our way. Your thoughts, condolences, prayers and compassion for our family have reached our hearts and will always be remembered.

Thank you,

The Wanandi Family



AFP/Roslan Rahman

Moment to reflect: The city skyline is reflected in a puddle left by rain in Singapore on Tuesday.

Asian stocks drift lower, euro holds steady before US inflation data release

Anshuman Daga

Reuters/Singapore

Asian shares reversed early gains, with investors in Chinese stocks unsettled by the United States moves against 33 Chinese entities, with markets otherwise waiting for US inflation data that could influence how fast the US Federal Reserve raises interest rates.

Traders are alert for rate hikes in both the eurozone and the US after the European Central Bank last week was considered to have adopted a more hawkish tone.

Euro Stoxx 50 futures eased and FTSE futures edged up 0.1 percent, indicating a mixed start for European equities.

MSCI's broadest index of Asia-Pacific shares outside Japan shed 0.3 percent to 612.3 after rising to 617.7, the highest since Jan. 25. The benchmark is up nearly 3 percent from a more than one-year low of 595.99 struck on Jan. 27.

"Much of investors' concern is focused on the five Fed increases that markets are pricing in for 2022, and if they won't be sufficient to contain inflation," Seema Shah, chief strategist at Principal Global Investors, said in a note.

"Yet, the Fed's urgency to tighten should soon ease as the most acute economic price pressures start fading. Furthermore, while US growth has likely peaked, a recession isn't in the cards," she said.

Japan's Nikkei rose 0.3 percent, Korean stocks went up 0.5 percent and Taiwan gained 0.7 percent.

Chinese stocks were the standout losers, with the CSI300 index down 1.8 percent as investors fretted over the prospect of the US government adding a further 33 Chinese entities to its export control list.

Hong Kong's Hang Seng index shed 1.5 percent, weighed down by losses in tech shares.

US consumer price figures for January are due on Thursday and could show core inflation accelerating to the fastest pace since 1982 at 5.9 percent.

"Central banks are really front and center in everyone's narrative. We believe they want to be patient," analysts at MFS Investment Management said in a report.

"We believe they're aware of their footprint in the marketplace today, but at minimum we can say in no uncertain terms, that financial conditions will be tightening in 2022 and therefore likely more conducive to errors."

S&P 500 futures held steady, while Nasdaq futures put on 0.1 percent in Asian trading.

Major Wall Street stock indexes ended down as markets digested mixed quarterly results.

"Corporate profits are the strongest in decades, consumers are backed by excess savings and gradual supply chain normalization should provide a boost to inventories and production," Shah of Principal Global Investors said.

The US January payrolls report on Friday showed annual growth in average hourly earnings climbed to 5.7 percent, from 4.9 percent, while payrolls for prior months were revised up by 709,000 to radically change the trend in hiring.

The prospect of hikes has bond markets reeling, and in Asia both treasuries and Japanese government bond yields rose, with the yield on benchmark 10-year treasuries up about 3 basis points to 1.9500 percent.

German two-year bonds had their worst week since the spring of 2008 last week and selling had extended on Monday, with Italian and Greek bond prices hit hardest.

In foreign exchange markets, the euro inched down 0.16 percent to US$1.1415, having shot up 2.7 percent last week in its best performance since early 2020 on the tightening expectations.

The dollar crept 0.2 percent higher on the yen to 115.45.

Oil prices eased on Tuesday ahead of talks between the US and Iran officials, which could lead to the removal of US sanctions on Iranian oil sales.

Brent crude was last down 0.2 percent to $91.1 a barrel after hitting a seven-year high of $94 on Monday.

Spot gold prices were steady at a one-week high at $1,821 per ounce.

Oil, gas bankers confront their own energy transition

Isla Binnie and David French

Reuters

Can oil bankers learn renewable tricks?

They may need to in this climate, judging by the experience of Douglas MacKenzie, a Citigroup banker who has spent decades advising global energy giants on fossil fuel deals since joining Goldman Sachs as an associate in 1985.

"I cover Big Oil. I'm a supermajor guy," the 63-year-old said. "Now all of my clients are focused on the transition."

He decided he had to get up to speed with greener energy sources in 2018 and is now EMEA chairman of Citi's new Natural Resources and Clean Energy Transition team, which was launched last March, part of a wider pivot by investment banking toward helping energy clients move away from fossil fuels.

Oil and gas dealmakers, once the darlings of banking, must plot their own transitions to lower-carbon careers.

Many are being retrained and repurposed as major banks including Citi, Credit Suisse and Societe Generale merge them into bigger teams that include clean power and sustainability specialists.

"I spend 12 hours a day reading," said MacKenzie, whose past deals include BP Plc's US$48.2 billion merger with Amoco in 1999.

"As an oil and gas banker I would stay current with geopolitics, get up in the morning and click the BBC website to make sure hostilities hadn't broken out somewhere. But now I'm trying to follow the technology."

There is still a lot of money to be made in oil and gas, with bankers striking about $290 billion in deals globally in 2021, roughly 10 times the level transacted for renewables, according to Refinitiv data.

A changing of the guard is underway though, with the volume of renewables M&A in 2021 growing more than 11-fold versus five years ago, while the annual number of oil and gas deals is down by a quarter over the same period.

"If you're a renewables banker you are going to be busy for the next 30-plus years," said Ralph Ibendahl, head of a new Energy Transition group at RBC Capital Markets in Europe.

"When you are in traditional oil and gas that field is inevitably going to narrow over time with the move to net-zero."

Yet some bankers face dilemmas over when to take the plunge, and risk being left behind in an evolving low-carbon finance arena.

Jason Moore, founder of London-based recruiting firm Harrington Moore, said some seasoned bankers were moving to niche oil and gas boutiques. Many people are racing to learn about new green technologies, though, before the competition becomes too intense, he added.

"The pivot is not too difficult right now," he said. "They probably have another 12 to 18-month window. The skill set is there already, they know how to structure deals."

Banks' bumper deals

Most investment banks have kept their fingers firmly in both pies.

Citi topped the global rankings for the value of renewables M&A deals it arranged in 2021, at around $6.3 billion, yet it still advised on oil and gas deals worth $49.3 billion, according to Refinitiv calculations, which classify renewables as including businesses active in areas such as renewable fuels, equipment for wind and solar systems and related services.

Elsewhere on Wall Street, JPMorgan Chase & Co arranged renewables deals worth about $5.2 billion versus $87.7 billion in oil and gas, Goldman Sachs Group recorded figures of $1.4 billion and $94.6 billion, while Morgan Stanley $2 billion and $50.7 billion.

Rob Santangelo, global cohead of energy and transition investment banking at Credit Suisse, said conversations with oil and gas companies reflected both a focus on future developments and current market realities.

"While their development dollars are still majority weighted towards traditional energy, big oil and gas companies are spending most of the time thinking about the transition."

As banks seek to straddle the gulf between old and new, they are looking to training to ensure their dealmakers can talk a good green game.

Over the past two years, for example, Societe Generale has used online tools including one that promises to condense the essential issues of climate change into three hours, for those who do not have time to read 2,000-page reports from the Intergovernmental Panel on Climate Change.

SoftBank's $40 billion sale of chip group Arm to Nvidia collapses

Agence France-Presse

Tokyo

Japan's SoftBank confirmed Tuesday that the US$40 billion sale of chip business Arm to Nvidia had collapsed because of "significant regulatory challenges" over concerns about competitiveness, and said it planned to now take the unit public.

The decision comes after United States authorities filed a lawsuit seeking to block the sale and probes were launched into the deal in the United Kingdom and Europe.

Alongside the announcement, the telecoms firm-turned-investment giant reported a net profit of 29.0 billion yen ($251 million) in the third quarter.

It marks a sharp drop from the 1.17 trillion-yen profit logged in the same period in the previous financial year, when results were boosted by huge tech-share rallies.

With a focus on debt to drive growth, technology firms of the kind CEO Masayoshi Son has heavily invested in have taken a beating in recent months on the expectation of higher US interest rates.

These routs led to SoftBank's first quarterly net loss for 18 months during the previous three months.

And there have been challenges elsewhere for SoftBank, including losses on Chinese ride-hailing giant Didi Chuxing, which has been hit by Beijing's regulatory crackdown.

Didi Chuxing has been forced to delist from the New York stock exchange and reported a $4.7 billion net loss in the October-December period.

Chinese giant Alibaba Group, which is SoftBank's biggest single investment, has also tumbled in recent months and reports have suggested Son may be considering the sale of some of his stake in the firm.

Son, who has poured money into some of the tech world's biggest names and hottest new ventures, said in November that Softbank was "in the middle of a blizzard".

"That 'blizzard' probably has room to run, as the usual buy-the-dip mentality that boosted tech over the last two years is less visible," said Kirk Boodry, an analyst at Redex Research who publishes on Smartkarma.

'Not a good time'

Hideki Yasuda, a senior analyst at Ace Research Institute, was more blunt, telling AFP: "As SoftBank Group is now an investment fund [...] its earnings are heavily influenced by the state of the stock market.

"Now is not a good time for SoftBank Group."

He singled out the slump in Alibaba shares as particularly damaging for Son, whose strategy of targeting tech firms and start-ups in search of unicorns has been controversial and led to an earnings rollercoaster in recent years.

In November, Son announced a share buyback worth one trillion yen, reportedly under pressure from shareholders frustrated by SoftBank's sinking stock price.

But it may now find itself with less cash on hand than anticipated, with analysts predicting that an Arm IPO, which SoftBank said it wanted by March 2023, would bring in less than the planned sale.

Nvidia is one of the world's largest and most valuable computing companies, while Arm creates and licenses microprocessor designs and architectures.

SoftBank had announced the deal in 2020, when it was valued at $40 billion, though the sum would have been higher now thanks to a rise in Nvida's share price.

The Financial Times, which reported the deal's collapse earlier Tuesday, said SoftBank was expected to seek to list Arm in the US, but that could face opposition in the UK.

SoftBank said its consolidated net profit for the nine months to December 2021 plunged 87 percent year-on-year to 392.6 billion yen.

Corporate net-zero plans fail to add up

Analysis finds 40% emissions cuts likely rather than 100%

Laurie Goering

Thomson Reuters Foundation/ London

Many top corporations with ambitious "net-zero" emissions pledges to tackle climate change lack a clear plan to achieve them, and are misleading consumers about how "carbon neutral" their products and services are, researchers warned on Monday.

Taken together, net-zero pledges by 25 top global companies — from Amazon to Google — add up to at best an average 40 percent reduction in emissions, they said in a report scrutinizing firms responsible for 5 percent of the emissions driving global warming.

Only Maersk, a Denmark-based global shipping firm, was found to have a pledge of "reasonable integrity", while companies from Nestle to Unilever were found to have "very low integrity" plans, according to the New Climate Institute report.

Unilever officials said they would use the analysis to "evolve their approach" to cutting emissions, while Nestle said the report "lacks understanding of our approach and contains significant inaccuracies".

Altogether, pledges by 21 of the 25 businesses examined were found to have "low" or "very low" evidence they could be met, researchers for the climate policy group said.

The weak showing by businesses that often cite global climate leadership suggests far greater scrutiny of all green claims is needed, as well as a much clearer labeling system to help buyers make real climate-smart choices, researchers said.

The big firms "are role models for tens of thousands of businesses who have similar ambitions", Thomas Day, a New-Climate Institute policy analyst, said at the online launch of the inaugural Corporate Climate Responsibility Monitor.

If their pledges are "full of ambiguity and loopholes", as the report found, the chances of achieving global goals to curb climate change are limited, he and others said.

"Companies should be held responsible to the highest standards for what net-zero means," he said.

He urged them to make realistic plans to cut emissions from their operations, products and supply chains by 90-95 percent, rather than relying heavily on carbon offsets.

Pledges galore

Commitments to achieve "net-zero" emissions or "carbon neutrality" — made by nations, states, cities and more than 680 companies — have surged over the last few years and now cover 88 percent of global emissions, according to Net Zero Tracker.

As public concern about climate change rises, many companies are under "enormous and growing" pressure to show they are curbing emissions and acting on climate threats, said Day, one of the report's authors.

But whether those voluntary pledges are backed up with detailed and credible plans has had little scrutiny so far, analysts say.

The new report is an early attempt to fill that gap, with researchers admitting corporate data on emissions reductions is extremely challenging to collect and compare.

They also found that among firms pledging net-zero emissions — by eliminating them or "offsetting" them through projects such as planting carbon-absorbing trees elsewhere — the means of achieving the aim vary widely.

Some companies, such as Maersk, intend to cut nearly all emissions from their operations, products and supply chains, with offsets used only to mop up what is left.

That is in line with recommendations from the Science Based Targets Initiative (SBTI), a body that provides guidance on establishing net-zero plans in line with climate science.

But other companies hope to meet their goals mainly by buying offsets, many of them "nature-based", researchers found.

That is a problem both because the supply of good-quality, verified offsets is limited and because carbon stored in forests could be released if they are burned in worsening fires or otherwise damaged, researchers said.

And if only a small share of emissions can be offset through nature investments, "it should not be the case that the wealthiest and most powerful companies claim that potential" when they could afford other options, said Silke Mooldijk, a NewClimate Institute policy analyst.

Other problems highlighted in the report include selecting a year with unusually high emissions as the level from which to measure future cuts, as well as including in that baseline emissions outside a firm's normal operations.

Many companies were also unclear about whether their goals cover emissions from their products and supply chains as well as their operations, or if and how they have signed deals to procure renewable energy for their operations, Mooldijk said.

In general, the net-zero pledges "cannot be taken at face value", she said.



Reuters/Russell Boyce

Go green: A car covered in artificial grass is seen parked in a residential street in London on May 3, 2020.

Govt retracts foreign tourist arrival ban at Soekarno-Hatta

Travelers may enter Indonesia through several airports

Eisya A. Eloksari

The Jakarta Post/Jakarta

The Transportation Ministry has retracted a ban on international tourists entering Indonesia via Soekarno-Hatta International Airport that came about due to incorrect wording in a recently issued circular letter.

A previous ministry circular letter No.11/2022 issued on Sunday stated that foreign tourists and returning Indonesians from overseas vacation "may only enter" through the Bali, Batam and Bintan airports, a list that excludes the airports in Jakarta and every other region.

Transportation Ministry spokesperson Fitri Indah clarified in a press release on Monday that the circular was meant to say "may enter" through the Bali, Batam and Bintan airports.

The ministry is working to revise the letter as stated in a Monday press release.

"Overseas tourism travelers can also enter through Soekarno-Hatta airport. We clarify and emphasize this information in regards to recent news," said Fitri.

The Transportation Ministry issued the circular letter to operationalize the government's decision to reopen Bali to international flights from all countries starting Feb. 4, despite an ongoing COVID-19 surge in Java and Bali.

The popular tourist destination Bali welcomed its first direct international flight on Feb. 4 as a Garuda Indonesia flight from Narita Airport in Japan landed on the island, carrying travel agent representatives from the East Asian country.

The government has allowed Bali to receive international direct flights from 19 countries since October last year but demand has been lackluster.

As such, the government also shortened the mandatory quarantine period to five days from seven for travelers with two doses of COVID-19 vaccine.

Sticking with Bali reopening

The government also introduced on Feb. 4 a quarantine initiative called the "warm-up vacation" wherein travelers may roam around their hotels, instead of being confined to their rooms, to spur tourism in the island province.



Antara/Fauzan

Cautious traveling: Passengers pass through Terminal 3 of Soekarno-Hatta International Airport in Tangerang, Banten, on Jan. 16.

"The warm-up vacation is a mandatory ritual before tourists go on their scheduled vacation," Tourism and Creative Economy Ministry marketing deputy Nia Niscaya said during a Monday press conference.

She went on to say that while there were only five hotels in Bali that offered warm-up vacations, more accommodations would become available in the future. As many as 66 hotels would become available for quarantine in Bali.

The four-day and five-night warm-up vacation packages are priced between Rp 10 million (US$695) and Rp 15 million at the five hotels, namely Grand Hyatt Nusa Dua and Westin Resort in Nusa Dua, Griya Santrian in Sanur, Viceroy in Ubud and Royal Tulip in Jimbaran.

Nia added that tourists coming to Bali would only be allowed to travel within the island.

However, tourism in Greater Jakarta, Bali, Bandung and Yogyakarta might pick up slower than expected as the government announced that the locations would enter level 3 public activity restrictions (PPKM) as of Monday.

The social restrictions mean that shopping malls will only be allowed to operate at 60 percent of their capacity and can operate until 9 p.m. Venues for cultural, sports and other social activities can only operate at 25 percent of their capacity.

"This is not because of the high COVID-19 cases but due to low tracing," Coordinating Maritime Affairs and Investment Minister Luhut Pandjaitan said in a separate press conference on Monday.

He added that the high hospitalization rate in Bali was also a factor in tightening mobility in the island province.

High-speed train project may take years to become profitable: KCIC

Vincent Fabian Thomas

The Jakarta Post/Jakarta

The business case for the Jakarta-Bandung high-speed rail (HSR) has worsened as a result of the COVID-19 pandemic and the government's plan to move the nation's capital to East Kalimantan.

PT Kereta Cepat Indonesia China (KCIC), the consortium responsible for the project, said on Monday that a recent passenger projection from a third-party review had fallen to just 31,215 trips per day, just over half of the 61,157 trips estimated in a 2017 feasibility study.

The consortium has appointed the China Railway Design Corporation (CRDC) and global auditing network KPMG International to review and update the project's feasibility with new assumptions to account for the change in circumstances over the last five years.

"We assume that [passenger] growth, adjusted for COVID-19, will be very small in the first five years," KCIC president director Dwiyana Slamet Riyadi told a virtual meeting with House of Representatives lawmakers, adding that the consortium had also accounted for the impacts of the capital city relocation and development project.

Referring to several new assumptions, KCIC also estimated that the payback period would swell to 40 years from the 26 years assumed in the 2017 study, but it also promised to find new revenue streams to shorten this.

"This is a railway investment and as such, [achieving] the breakeven point [BEP] was never going to be easy. Most railway investments come with [a BEP] of more than 20 years," Dwiyana explained.

The worsening economics surrounding the Jakarta-Bandung HSR only add to a list of issues pointing to an increasingly bleak future for the project.

The government announced last year that the project had exceeded its initial budget of US$6.07 billion by $2 billion. This prompted the issuance of a new regulation to allow for government funding and guarantees, which had been initially ruled out.

The government has injected Rp 4.3 trillion ($299 million) from the state budget through state-owned railway company PT KAI, funds that KCIC said it had used for overdue payments. More capital injections are needed to solve the cost overrun, but are pending an audit from the Development Finance Comptroller.

In January, President Joko "Jokowi" Widodo announced that the operational date of the Jakarta-Bandung HSR had been pushed back six months to June 2023. KCIC later revealed that the delay was due to the project running into additional technical and geological difficulties.

Meanwhile, KCIC said it had completed 10 of 13 tunnels, and that it planned to complete the remaining three by April.

These three tunnels are considered to be among the most difficult ones in the project and have been delayed for more than half a year.

Other obstacles include the COVID-19 pandemic, with the project reporting almost 500 workers with the disease and another 1,500 in self-isolation.

Syarif Abdullah Alkadrie, the deputy chairman of House Commission V overseeing infrastructure and transportation, questioned the fate of the project in light of the Nusantara capital city (IKN) development project, suggesting that the Jakarta-Bandung HSR could end up with zero passengers.

He pointed to other projects that had met a similar fate due to "misplanning", like Kertajati International Airport in West Java and the LRT in Palembang.

"Which is better, stopping or continuing [the project]? I'm worried that it will create more burdens [on the state budget]," said Syarif, who is from the NasDem faction.

Rail Transportation Director General Zulfikri told the same meeting that the Transportation Ministry would wait until KCIC submitted the updated feasibility study to determine any measures needed to support the project.

Correction

In a story on start-up Sirka that was published on Monday, the heading was supposed to read "Personal health start-up Sirka raises $2.6 million in seed round".

We apologize for the error.

— Editor

Making Indonesia 4.0 and needs for structural reform

Jakarta

In 2012, Timothy D. Cook, the CEO of Apple, made an announcement that Apple would open a new factory and make Mac computers in the United States, making it the first company to produce US-made computers after years of its products being assembled in China.

A few months later in 2013, the new factory opened in Austin, Texas and began producing the top line of Macintosh computers. But then, the company encountered a seemingly simple issue, which turned out to have significant consequences — Apple struggled to get enough screws for its Macs.

The news, written by Jack Nicas in the *New York Times*, highlighted that moving a factory was not as simple as we generally thought. In China, Apple could get supplies from manufacturers producing large quantities of custom screws at short notice.

The screw shortage in the US turned out to be a serious problem that led Apple to postpone sales of its computers.

The second story comes from home. At the end of 2021, Jakarta Governor Anies Baswedan announced he was raising the minimum wage by 5.1 percent, higher than the original increase of 0.38 percent.

Responding to this, businesses planned relocating their factories to Central Java — a province perceived to have a lower minimum wage. It is less clear whether they actually moved, but a report by the Indonesian Employers Association (Apindo) claimed that around 150 companies, mostly footwear and textile factories, relocated factories to Central Java because of the minimum wage.

The two tales tell the same story about the dynamics of the manufacturing world. Manufacturers come and go. Some decline and set, while others move to survive and thrive. But those two stories have different endings.

Apple, despite labeling its products as being designed in California, the US, remains assembling the bulk of its products in China. Meanwhile, we may see more and more textile factories leave the western part of Java to Central or East Java.

Why do some factories or firms find it easy to move while others stay? Economics give some clues: factories are built close to the market, people or resources. But these days some industries depend heavily on the web of networks connecting multiple factors. Tech companies, such as Apple, rely on the overall supporting ecosystem.

For Apple, it has found no country that can match China's combination of scale, skills, infrastructure and cost for producing the necessary materials. This may not be the case for labor-intensive industries such as textiles.

These stories also provide a glimpse of the future of supply chains and employment as well. Even long before COVID-19, Apple had a plan for reducing its dependency on China's suppliers.

Yet its hunt for new production centers has not materialized on a large scale. This makes the case that despite the supply chain disruption caused by COVID-19, we may not see a large reset of supply chains.

However, retrenchment on global supply chains would have dire implications for employment. We have seen that the pandemic-induced shortages of critical supplies have reinforced calls in developed countries for reshoring production — moving supply chains back to developed countries.

But we seem to forget that global value chains (GVCs) have been at the center of global prosperity. As GVCs expand, many poor countries increase their participations in global trade. This has been the engine of growth for the East Asia region. Reshoring would mean less job creation in developing countries.

These facts about tech manufacturers offer lessons for Indonesia, which aspires to boost Industry 4.0.

Indeed, digitalization has been one of the major issues raised as part of Indonesia's Group of 20 presidency. So far conversations about tech companies generally are limited to fintech or commerce. Perhaps, this can be attributed to their potential that is relatively easy to assess.

A widely quoted estimate suggests that the digital economy is worth around US$70 billion, of which e-commerce is around $53 billion according to Google, Temasek, Bain in 2021. Still, Industry 4.0 should move beyond e-commerce.

From the plan laid out by the government for Industry 4.0, some industries are destined to be the drivers of Industry 4.0, comprising food and beverage, automotive, textiles and apparel (including footwear), chemical and electronics. These industries cover 60 percent of manufacturing output, contribute to 65 percent of exports and employ around 60 percent of manufacturing workers. These are critical industries for Indonesia's development.

The plan of Industry 4.0 — known as "Making Indonesia 4.0" — require a profound transformation in which firms discover, innovate, distribute and produce goods and services by leveraging new upcoming digital technologies. There are some challenges though. Many Indonesian firms, around 64 percent, continue to perform basic tasks and lack innovation.

Meanwhile only 6 percent of firms have adopted advanced technology such as machine learning, according to a study by Aswicahyono and Rafitrandi in 2020. Low technological adoption among firms leads to lower demand for digital skills, with no potential for skill upgrading.

Making Indonesia 4.0 then, calls for significant structural reform. The government's plan to expand digital infrastructure as part of Industry 4.0 is welcome.

Yet we need to address some critical issues that, although not directly related to digitalization, have a substantial impact on the future of Industry 4.0 in Indonesia.

First, as businesses across the globe rethink their supply chain strategies, it is a good opportunity for us to identify the factors behind low competitiveness and remove them.

ANALYSIS

Teguh Yudo Wicaksono

Head of Mandiri Institute

For example, the food and beverage industry, one of five industries destined to be the key to Industry 4.0, is among the most heavily regulated industries.

Import restrictions on food ingredients such as salt or sugar hit hit micro, small and medium enterprises (MSMEs) hard as they do not have access to affordable inputs, according to Aswicahyono and Rafitrandi in 2020. Without low-cost inputs, these MSMEs cannot enter international markets competitively.

Second, Indonesia needs digital talent. Hence, opening labor markets for digital talent would benefit Indonesia's economy. Recent data from Linkedin and the World Bank suggest that between 2017 and 2019, Indonesia retained talent at around 2.51 per 10,000 people.

This is far lower than Singapore, which attracts around 18 per 10,000 people. Singapore has also successfully attracted around 459 talents per 10,000 with skills in artificial intelligence.

Singapore is also the most attractive country in the region for skills in mobile applications and human computer interactions — the critical skills for the future of digital technologies.

Meanwhile, the top skill gained in Indonesia remains analytical reasoning — a rather basic, despite being important, talent. Thus, Indonesia is in dire needs of attracting talent with future digital skills. Allowing mobility for high-skill talent would close the digital skill gap.

Third, Indonesia requires reliable and efficient services that supports key industries. Countries closely integrated into global value chain and thus becoming top exporters are always countries with reliable and efficient services.

Critical services such as logistics, transportation, telecommunication, and financial services are critical for international trade. Digitalization in these sectors, particularly logistics, has improved their efficiency. This is the major driver of growing Indonesia e-commerce. To expand further, Indonesia needs to extend beyond digital technologies in these services.

Finally, we need data that help us to assess better the size and potential of Industry 4.0 and the digital economy.

Up until now, data collected by Statistics Indonesia (BPS) have not changed much over the past 20 years. Take for example data collection for the National Social and Economic Survey or Manufacturing Survey that continue to collect the same information they have for the past 20 years.

Thus, we need to establish measures that incorporate the progress of technological adoption. This allows us to better monitor and lay out better policies for promoting technological development in Indonesia.

SPOTLIGHT



Trade Minister Muhammad Lutfi assured that the Ministry of Trade was committed to fully supporting Indonesia's G20 presidency so it could be a catalyst for global economic recovery by prioritizing partnerships, inclusiveness and making a real impact on the global and national community. This was stated at the inauguration of the G20 Trade, Investment and Industry Working Group (TIIWG), which was also attended by Investment Minister Bahlil Lahadalia and Industry Minister Agus Gumiwang Kartasasmita in Jakarta on Tuesday (8/2).

EDITORIAL

Good journalism pays off

Given the multiple challenges faced by the mainstream media today, we have made repeated calls to every quarter for their support. And in conjunction with National Press Day, which is today, we want to renew that call to you, our dear readers, and emphasize that quality journalism needs your support.

You may have grown weary about requests to click the subscribe button or join this and that newsletter, but they are the least you can do to allow for media outlets to remain independent and continue doing their primary work as the fourth pillar of democracy.

And after all these years, you may have also grown familiar with some of the problems we're facing right now, from shrinking advertising revenue, censorship and government meddling to the hoaxes and misinformation.

Especially for the last problem, the solution should be easy for consumers of news; they could always rely on legacy publications, big names that they are already familiar with, sources that they have trusted for years.

Yet when it comes to the internet, the answer is not always that straightforward.

The advent of social media and the rise of big-tech platforms have made it difficult for the audience to get good ol', fact-based journalism.

It has now been well-documented that big tech companies have long employed the type of algorithm that is tailored to the individual's behaviors on the internet. The practice of tracking and collecting our online behaviors allows these tech giants to target us with only information that matches our preferences. Click on a cat photo once and you will get a constant stream of cat photos on your social media timeline.

But most of the time, we don't only get cat photos.

The problem of misinformation is now so massive that we have in our hands today a prolonged pandemic resulting from people rejecting the idea of vaccination. Where do these anti-vaxxers congregate and exchange their false information? Social media platforms, for sure.

The tendency to pick information that generates the most visceral response has also resulted in social media and other tech platforms being populated by news and information produced and published by dubious media companies, whose reason for existence is only to monetize your outrage and vitriol.

This (algorithmic) preference for content that only appeals to the lowest common denominator has resulted in the dumbing-down of journalism, which in the long run could have a ruinous effect on the whole media industry.

So, it is within this context that we need to support the legislative proposal to demand that big tech companies and social media giants be more responsible with how they distribute content on the internet.

We certainly don't want control over what these platforms should publish or not, but there ought to be a commitment from these tech giants to prioritize good journalism. And as most members of the mainstream media are now struggling financially, making it easy for people to access their content should help their revenue stream.

Good journalism pays dividends in the long run.

A balanced, prudent response to global inflation



AFP

Shop 'til you drop: Shoppers walk through the Citadel Outlets in Los Angeles, California, the United States, on Dec. 9, 2021. The US inflation rate hit a record high of 7 percent in December 2021.



By Joseph E. Stiglitz
Project Syndicate/New York

A Nobel laureate in economics, a university professor at Columbia University and a member of the Independent Commission for the Reform of International Corporate Taxation

Although some supply shortages were anticipated as the global economy reopened after the COVID-19 lockdowns, they have proved more pervasive, and less transitory, than had been hoped. In a market economy that is governed at least in part by the laws of supply and demand, one expects shortages to be reflected in prices. And when individual price increases are lumped together, we call that inflation, which is now at levels not seen for many years.

Nonetheless, my biggest concern is that central banks will overreact, raising interest rates excessively and hampering the nascent recovery. As always, those at the bottom of the income scale would suffer the most in this scenario.

Several things stand out in the latest data. First, the inflation rate has been volatile. Last month, the media made a big deal out of the 7 percent annual inflation rate in the United States, while failing to note that the December rate was little more than half that of the October rate. With no evidence of spiraling inflation, market expectations — reflected in the difference in returns on inflation-indexed and non-inflation-indexed bonds — have been duly muted.

One major source of higher inflation has been energy prices, which rose at a seasonally adjusted annual rate of 30 percent in 2021. There is a reason why these prices are excluded from "core inflation". As the world moves away from fossil fuels — as it must to mitigate climate change — some transitional costs are likely, because investment in fossil fuels may decline faster than alternative supplies increase. But what we are seeing today is a naked exercise of oil producers' market power. Knowing that their days are numbered, oil companies are reaping whatever returns they still can.

High gasoline prices can be a big political problem, because every commuter confronts them constantly. But it is a safe bet that once gasoline prices return to more familiar pre-COVID levels, they won't be fueling any remaining inflation momentum. Again, sophisticated market observers already recognize this.

Another big issue is used-car prices, which have highlighted technical problems with how the consumer price index is constructed. Higher prices mean that sellers are better off vis-à-vis buyers. But the consumer price index in the US (unlike in other countries) captures only the buyer's side. This points to another reason why inflation expectations have remained relatively stable: people know that higher used-car prices are a short-term aberration that reflects the semiconductor shortage currently limiting the supply of new cars. We know how to make cars and chips as well today as we did two years ago, so there is every reason to believe that these prices will fall, giving rise to measured deflation.

Moreover, given that a large proportion of today's inflation stems from global issues — like chip shortages and the behavior of oil cartels — it is a gross exaggeration to blame inflation on excessive fiscal support in the US. Acting on its own, the US can have only a limited effect on global prices.

Yes, the US has slightly higher inflation than Europe; but it also has enjoyed stronger growth. US policies prevented a massive increase in poverty that might have occurred otherwise. Recognizing that the cost of doing too little would be huge, US policymakers did the right thing. Moreover, some of the wage and price increases reflect the healthy balancing of supply and demand. Higher prices are supposed to indicate scarcity, redirecting resources to "solve" the shortages. They do not signal a change in the economy's overall productive capacity.

The pandemic did expose a lack of economic resilience. "Just-in-time" inventory systems work well as long as there is no systemic problem. But if A is needed to produce B, and B is needed to produce C, and so on, it is easy to see how even a small disruption can have outsize consequences.

Similarly, a market economy tends not to adapt so well to big changes like a near-complete shutdown followed by a restart. And that difficult transition came after decades of shortchanging workers, especially those at the bottom of the pay scale. It is no wonder that the US is experiencing a "Great Resignation", with workers quitting their jobs to seek better opportunities. If the resulting reduction in labor supply translates into wage increases, it would begin to rectify decades of weak to nonexistent real (inflation-adjusted) wage growth.

By contrast, rushing to dampen demand every time wages start to increase is a surefire way to ensure that workers' pay is ratcheted down over time. With the US Federal Reserve now considering a new policy stance, it is worth noting that periods of rapid structural change often call for a higher optimal inflation rate, owing to the downward nominal rigidities of wages and prices (meaning that what goes up rarely comes down). We are in such a period now, and we shouldn't panic if inflation exceeds the central bank's 2 percent target — a rate for which there is no economic justification.

Any honest account of current inflation must carry a big disclaimer: Because we haven't been through something like this before, we can't be sure of how things will evolve. Nor can we be sure what to make of the Great Resignation, though there is little doubt that workers at the bottom have plenty to be angry about. Many workers on the sidelines may be forced back to work once their cash reserves run out; but if they are disgruntled, that may well show up in the productivity figures.

This much we do know: A large across-the-board increase in interest rates is a cure worse than the disease. We should not attack a supply-side problem by lowering demand and increasing unemployment. That might dampen inflation if it is taken far enough, but it will also ruin people's lives.

What we need instead are targeted structural and fiscal policies aimed at unblocking supply bottlenecks and helping people confront today's realities. For example, food stamps for the needy should be indexed to the price of food, and energy (fuel) subsidies to the price of energy.

Beyond that, a one-time "inflation adjustment" tax cut for lower- and middle-income households would help them through the post-pandemic transition. It could be financed by taxing the monopoly rents of the oil, technology, pharmaceutical, and other corporate giants that made a killing from the crisis.

Economic, fiscal resilience set solid foundation for exit strategy



By Adelia Pratiwi
Jakarta

An analyst at the Finance Ministry's Fiscal Policy Agency. The views expressed are her own.

Fiscal policy is one of the most important instruments to fight the pandemic. Despite working hard with a budget deficit almost three times its normal ratio to gross domestic product (GDP) to fight health and welfare loss, Indonesian fiscal policy has remained prudent. The government, therefore, has a solid foundation for a smooth post-pandemic exit.

One way to look at it is by comparing Indonesia's economic output in 2021 with its pre-pandemic level (2019). In an index where above 100 represents an increase from the previous level of economic output, the country scored 101.1, meaning it has returned to pre-pandemic growth levels. Other emerging economies that have returned to pre-pandemic levels are Vietnam (104.9), while developed countries that have returned to pre-pandemic growth include China (110.5). On the other hand, many countries, such as Thailand (94.4) and the Philippines (94.3), have yet to meet pre-pandemic growth levels.

The recovery was also generally faster than the previous crisis, the 1997-1998 Asian financial crisis. The economic recovery from the 1998 crisis took five years. For the manufacturing sector, it took more than three years to return to pre-crisis levels. Meanwhile, the construction sector only returned to its pre-crisis level seven years later.

During the COVID-19 period, data shows that the economic recovery process has been sensitive to changes in the pandemic. However, in the third quarter of 2021, the manufacturing and construction sectors began to return to pre-pandemic levels.

The recovery was also of high quality. By 2021, the poverty rate had returned to a single digit, just like pre-pandemic levels, namely to 9.71 percent, from 10.19 percent in 2020. The large budget allocations for social safety net programs should be credited with the poverty decline. Without social protection, the World Bank had predicted that the poverty rate would climb to 11.4 percent in 2021.

The unemployment rate also fell by 0.58 percentage points from 2020 to 2021, or by 670,000 people. Furthermore, the level of inequality as reflected in the Gini ratio also decreased to almost the pre-pandemic level of 0.381 (2020: 0.385).

Fiscal policy remained prudent with an accumulated deficit of 10.8 percent of GDP in 2020-2021.

Indonesia's debt-to-GDP level was also lower than other emerging market countries. The government debt level in 2021 only increased by 10.8 percentage points compared to countries such as Thailand (17 percentage points), the Philippines (22), China (11.8) and Malaysia (13.6). Only few countries, such as Vietnam (4.3), Russia (4.1), Saudi Arabia (6.9) and Mexico (6.5), were lower.

However, the risks to fiscal policy are not small. One of the most imminent downside risks is external risk related to the United States Federal Reserve's upcoming monetary tightening. This condition needs to be watched out for because it will have consequences, such as tighter liquidity. The tapering issue resulted in declining capital flows to emerging markets in 2021.

Indonesia again showed its ability to mitigate such risk. Indonesia's 10-year government bond yield in 2021 rose by 50 basis points (bps), better than the Philippines (156 bps), Mexico (203 bps) and Russia (253 bps). Indonesia's financial market was also quite stable, as seen from the sloping Credit Default Swaps (CDS) and the performance of the rupiah, which was better than many other emerging market currencies in 2021.

The solid recovery will enable Indonesia to make a smooth exit strategy to return to the 3 percent deficit ceiling in 2023 and maintain the credibility of its fiscal management.

Tax revenues recovered very quickly in 2021. Although such revenue was expected to lag behind the economic recovery, based on the provisional realization, Indonesian 2021 income tax revenues grew by 17.3 percent (yoy) and reached nearly the 2019 level. Meanwhile, VAT income has exceeded the pre-pandemic era by growing 22.3 percent. The fiscal deficit in 2021 was only 4.65 percent, smaller than the target of 5.70 percent.

Endless battle against COVID-19

By Nidhi Kaicker and Radhika Aggarwal
Inter Press Service/New Delhi

Nidhi Kaicker is an assistant professor of management at Ambedkar University Delhi. Radhika Aggarwal is an assistant professor of management at SMVD University, Jammu.

The year 2021 began with several new vaccines showing efficacy in randomized trials, but despite 26 authorized COVID-19 vaccines globally and at least another 200 in development (*The Lancet*, 2021), the first few weeks of 2022 brought a sense of uncertainty.

Nearly two years after the first COVID-19 case was registered in India, the country ranked third globally in terms of total deaths due to coronavirus, and second in terms of total number of cases. More than 6.5 million cases and 15,000 deaths were added to India's tally in January 2022 alone. The increased detection of the Omicron variant in the initial weeks of the year raised concerns whether we will see another deadly wave worse than the second.

Despite the availability of drugs in hospitals and pharmacies, presence of trained, mostly vaccinated health workers, enhanced bed capacity, three approved vaccinations, markedly reduced test prices and easier treatment affordability, the second wave saw a much faster spread of the disease.

The failure to follow COVID-19 safety protocols amidst the events such as election rallies, farmers' agitations and religious gatherings has had severe consequences in the form of spiraling cases, reduced supplies of essential treatments, and increased deaths particularly in the young.

No state or union territory has been spared by the pandemic, especially in the second wave, but the spread of infections has been disproportionate, and the policy response and outcomes have been varied. This asymmetric impact of COVID-19 across states, both in terms of spread and mortality has its explanation in not just medical factors such as availability and accessibility of health care resources, but several socio-demographic and economic factors.

These determinants of the state wise variation have important implications for socioeconomic planning and policies, particularly because state governments have been using measures such as closures and containments, and during the second wave, were seen as "laboratories" for the control of COVID-19.

Our analysis focuses on identifying determinants of the spatial heterogeneity of the pandemic, in terms of number of cases and deaths per million population for a 15-month period starting mid-March 2020 until the end of June 2021.

Our findings suggest that the pandemic has had a greater intensity in regions with higher per-capita incomes and urbanization rates. That the richer regions show a higher number of cases compared to the poorer regions could partly be attributed to better rate of testing, but also because the richer regions are more likely to attract more frequent travels due to business, and migrants and thus initially expected to be the hubs of the coronavirus infection with a more rapid diffusion to other regions.

Our finding results also suggest a greater intensity of the pandemic in states with higher disease burden due to non-communicable diseases, higher proportion of population in the age group 60 years and above, and lower proportion of population belonging to disadvantaged socioeconomic groups. Thus, interplay between affluence and urbanization, environmental risks and co-morbidities, and the associated higher fatality rates seem highly likely.

A comparison of the state-wise incidence of the pandemic during the first and the second wave reveals the importance of decentralization of essential health services as a one-size-fits-all approach in flawed. States and districts should have the autonomy to respond to the changing local situations, and there is an important role of technology in streamlining the management of resources (including funds) within and across regions.

An active management information system, with accurate data on demographic distribution of cases, deaths, hospitalizations, vaccinations, along with statistical modelling to predict the spatial spread of infection can enable regions to proactively prepare for the likely caseloads in the future.

There is continuing uncertainty about how the COVID-19 epidemic will unfold in the near future. There are reasons why we should be wary. Firstly, vaccination does not eliminate the risk of infection. Besides, the chances of vaccination reducing transmission to others are undermined by the finding that the new variants start spreading even in the absence of symptoms. Moreover, vaccine-induced immunity wanes with time and new variants.

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RI's quarantine vs. investments conundrum

By Manzar Zaidi
Islamabad
A counterterrorism and counter-extremism expert and scholar who is a frequent visitor to Indonesia

I have been in love with Indonesia for number of years, pooling my resources with a fierce determination to start a medium-sized business here, with a hope to eventually grow it into something bigger. Then COVID-19 struck, and things kept getting worse.

Determined not be fazed by that, and armed with undying admiration for the society and culture of a country I have come to consider as a second home, I kept making my probing trips to try and set up something which would cement my connection with Indonesia. That is, until the mandatory quarantine started.

I concur that quarantines are essential in certain circumstances to prevent importing contagions. However, there is a flip side to the coin. Even though stringent quarantine procedures were in place, Delta still arrived in Indonesia and now, so has Omicron.

With community spread of this extremely transmissible variant documented in Indonesia, it is quite debatable whether locking up foreigners or Indonesians returning from aboard would be of any use in containing this outbreak.

This is a virus that will keep spreading once it has entered a country, regardless of whether more infected travelers arrive. Community spread will be 100, maybe 1,000, times faster than any importation of the virus would entail. Ultimately, as the global experience has shown, vaccination is the key.

That is precisely why countries with high vaccination rates like the United Kingdom have dropped quarantine procedures altogether for fully vaccinated travelers. Thailand and Turkey are also opening their borders to tourists. They would not have made these decisions without the calculated risk of Omicron not being as deadly as previously thought.

One recalls the hue and cry a couple of months ago, when the media was passing off Omicron as more potent than Delta. We live in a changed world, and without robust scientific evidence, such panic inevitably impacts on people's lives in a different but also equally deadly way as the virus.

Take Bali, for instance. It has been economically bleeding to death for the past couple of years. Even when the Indonesian government opened up so-called visas for foreign tourists, who are Bali's lifeline, less than 100 arrived. Why?

I can tell you as a foreigner. If I have a 10-day holiday planned, I certainly would not want to spend even two days in quarantine, much less than the currently mandated five days. Playing with the number of days spent in quarantine is essentially useless.

Nobody wants to land in what is essentially jail time while on a holiday. Nothing spoils a vacation more than that. And if the quarantine period keeps on fluctuating, despite the Balinese being very heavily and disproportionately vaccinated compared to the Indonesian public in general, expect Bali's tourist crowds to perhaps thin out forever.

I have asked several Balinese people, and they would prefer to brave the constantly changing variants rather than the slow economic strangulation they are currently facing.

Now, a few words about Jakarta's quarantine, as I refer to the mandatory seven days (usually) for foreigners on business visas or stay permits. Perhaps the only happy beneficiaries of this are the hotels, which are doing a roaring trade under the guise of "repatriation packages".

I have stayed in several Jakarta hotels for quarantine, and without naming any names, all have offered packages priced far in excess of their daily room rates plus the combined cost of three decent meals. The experience has been dismal across the board, and the value for money has been extremely disappointing.

If you want to know what the meals are like, just read the online reviews from foreign visitors. You will read of cold, soggy meals being unceremoniously dumped outside the quarantine rooms.

Since ordering outside food is not allowed, you have to eat this fare from the "sterile" kitchens, which somehow arrives unerringly cold and tasteless. You have to survive, so you eat what you get.

It also feels like the hotels don't really consider offering any special amenities or services for the mental or physical wellbeing of their quarantine guests.

You deal with everything from indifferent reception staff to breakdowns in internet access to feeling constantly edgy at the poor services offered throughout the quarantine period.

Trifling matters, you say? As whiny a foreigner as I may be, there could be larger implications to what this "solitary confinement" does to people like me.

As mentioned, I have braved several periods in quarantine to at least try to keep coming back to this country, which I have grown to love, in order to create a life for me here. I am sure that there are many more expats who share my love of Indonesia.

However, especially after my last quarantine, which was spent in an almost windowless room (the sole window looked out at dead wall) with the internet constantly offline, denying me the opportunity to stay in touch with my family for my sanity, I emerged less interested in connecting with the relevant business opportunities than cutting my trip short and heading back home.

I wonder how many expats have arrived here and, after spending a depressingly dreary time in quarantine, had second thoughts. Beyond insignificant as I may be, I wonder, collectively, how many people have given up on their idea to venture into Indonesia after undergoing quarantine?

We are human beings, and we inevitably compare our situation with others'. I read about how the United States has reduced its quarantine period to five days for travelers, even those infected with Omicron. I read about the UK considering dropping it altogether.

I read about how Omicron is already in Indonesia and spreading like wildfire, and that cases are still being underreported because of low testing rates. By all accounts, it is already here and spreading. And since news of the variant travels much slower than the virus actually spreads, it could have been here even before the quarantine periods were ramped up to stop it coming to Indonesia.

There are going to be many more variants as the coronavirus keeps mutating. The answer is herd immunity through vaccination, in which every country including Indonesia is making great progress. The answer is foolproof testing at airports and detaining only infected travelers, rather than putting everybody in "jail", from which you emerge emotionally and mentally drained.

There is a reason why isolation is the harshest punishment in prisons.

Even though hotels are touting the mandatory quarantine as a "repatriation package", they are nothing more than a money-making hospitality gimmick, since they can just throw the regulation book at any pesky traveler without any consideration paid to "extra-sensitive" services or mental health issues.

The answer is to implement systems which allow Bali to emerge from the deep hibernation it has gone into. The answer is to encourage investments, not just through advertisements on international channels, but through some well-thought-out policies. The quarantine rollercoaster needs a policy rethink.

The global problem-solving paradox



By António Guterres
New York
Secretary-general of the United Nations

As secretary-general of the United Nations, I spend much of my time speaking with world leaders and taking the pulse of global trends. It's clear to me that we are at a defining moment in international relations. Global decision making is plagued by gridlock — and a fundamental paradox lies at the heart of it.

On the one hand, many of today's global leaders recognize our common threats — COVID, climate, the unregulated development of new technologies. They agree that something needs to be done about them. Yet that common understanding is not matched by common action.

Indeed, divides keep deepening.

We see them everywhere: in the unfair and unequal distribution of vaccines; in a global economic system rigged against the poor; in the utterly inadequate response to the climate crisis; in digital technology and a media landscape that profit from division; and in growing unrest and conflict around the world.

So, if the world agrees on the diagnosis of these common problems, why is it unable to effectively treat them?

I see two fundamental reasons.

First, because foreign policy often becomes a projection of internal politics.

As a former prime minister, I know that despite good intentions, international affairs can be hijacked by domestic politics. Perceived national interests can easily trump the larger global good.

This impulse is understandable, even if it is wrong-headed in instances where solidarity is in a country's self-interest.

Vaccines are a prime example.

Everyone understands that a virus like COVID-19 does not respect national borders. We need universal vaccination to reduce the risk of new and more dangerous variants emerging and affecting everyone, in every country. Instead of prioritizing vaccines for all through a global vaccination plan, governments have acted to safeguard their people. But that is only half a strategy.

Of course, governments must ensure the protection of their own people. But unless they work simultaneously to vaccinate the world, national vaccination plans could be rendered useless as new variants emerge and spread.

Second, many of today's global institutions or frameworks are outdated or simply weak and the necessary reforms are impeded by geo-political divides.

For example, the authority of the World Health Organization is nowhere near what is required to coordinate the response to global pandemics.

At the same time, international institutions with more power are either paralyzed by division — like the Security Council — or undemocratic — like many of our international financial institutions.

In short — global governance is failing at precisely the moment when the world should be coming together to solve global problems

We need to act together in the national and global self-interest, to protect critical global public goods, like public health and a livable climate, that support humanity's wellbeing.

Such reforms are essential if we are to deliver on common aspirations for our collective global goals of peace, sustainable development, human rights and dignity for all.

This is a difficult and complex exercise that must take into account questions of national sovereignty.

But doing nothing is not an acceptable option. The world desperately needs more effective and democratic international mechanisms that can solve people's problems.

As the pandemic has taught us, our fates are tied. When we leave anyone behind, we risk leaving everyone behind. The most vulnerable regions, countries and people are the first victims of this paradox in global policy. But everyone, everywhere is directly threatened.

Many of today's global institutions or frameworks are outdated or simply weak and the necessary reforms are impeded by geo-political divides.

The good news is that we can do something about our global challenges. Problems created by humanity can be solved by humanity.

Last September, I issued a report on these issues. *Our Common Agenda* is a starting point; a road map to gather the world together to tackle these governance challenges and reinvigorate multilateralism for the 21st century.

Change won't be easy, nor will it happen overnight. But we can begin by finding areas of consensus and moving in the direction of progress.

This is our greatest test because so much is at stake.

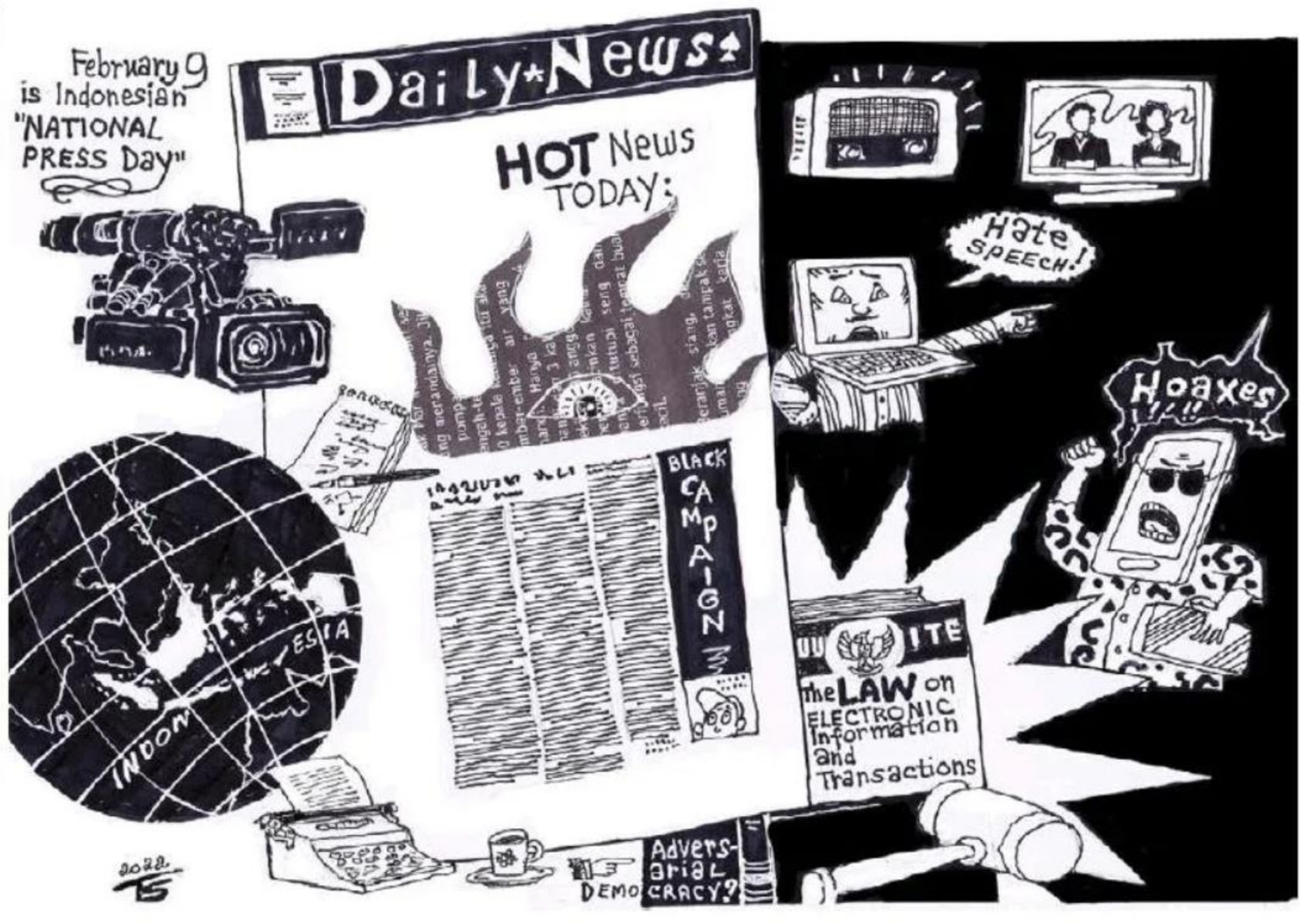
We are already seeing the consequences. As people start to lose trust in the ability of institutions to deliver, they also risk losing faith in the values that underlie those institutions.

In every corner of the world, we see an erosion of trust and what I fear is the emergence of a twilight of shared values.

Injustice, inequality, mistrust, racism and discrimination are casting dark shadows across every society.

We must restore human dignity and human decency and respond to people's anxieties with answers.

In the face of growing interconnected threats, enormous human suffering, and shared risks, we have an obligation to speak up and act to put out the fire.



Quality, independent journalism provides bulwark against rampant fake news



By Warief Djajanto Basorie
Jakarta
A senior journalist and an instructor at Dr. Soetomo Press Institute Jakarta

"Digital transformation is an inevitability. No sector can avoid its application." This assertion appeared in a concept note prepared for Indonesia's 2022 National Press Day conference this week in Kendari, the capital of Southeast Sulawesi.

The inevitability issue was to be discussed in one session titled "Building a Sustainable Mass Media Model". The concept note stated the session would focus on three interlinked fundamentals: the enhancement of journalism, the media business model and the technology for content distribution and advertising.

Professional and fake journalism come under scrutiny every year on National Press Day, which commemorates the establishment of the Indonesian Journalists Association (PWI) in Surakarta, Central Java, on Feb. 9, 1946.

In the digital transformation, 5G telecommunications service will start to function more widely in Indonesia in 2022. With 5G, internet access, downloading and uploading, will be much faster than with 4G.

Further, the country this year is heralding the analog switch-off. Digital television will replace analog TV to give sharper, clearer images.

Meanwhile, the metaverse, popularized by Facebook cofounder Mark Zuckerberg as the coming electronic system in social networking, is making baby steps that can move and jump with speed.

A *New York Times* article by Brian X. Chen on Jan. 18 defined the metaverse as the convergence of two ideas that have been around for many years: virtual reality and a digital second life. In practice, a person using a VR headset can be in a virtual space and connect with a person in another virtual space.

Venture capitalist Matthew Ball believes the metaverse represents the fourth wave of computer technology. It follows mainframe computing, personal computing and mobile computing.

"It's about being in the computer rather than accessing the computer," Ball said.

On developing mass media as a business, a model that links content-providing media outlets and digital platforms should be based on negotiated equity in partnerships and not let the digital platform providers like Meta (Facebook) and Google rake in a greater profit share.

Of the three fundamentals — the technology, the business model and the journalism — perhaps the journalists, as the driving human element in content creation, should have specific attention in the Kendari conference. What challenges do journalists face?

Putting aside the COVID-19 pandemic and the pressure to carry out a digital transformation, journalists get threats for simply performing their function.

They have to contend with doxxing, bullying and hacking, as PWI stated in its 2021 end-of-year review of Indonesia's press situation.

Doxxing is the public exposure of sensitive details of a person's identity against their will. This is digital technology misused, piping malicious if not untrue information that hurts people.

Two journalists with *Nusadaily.com* in Malang, East Java, were doxing targets in April 5, 2021, because of their reporting and became traumatized, the Alliance of Independent Journalists (AJI), reported in a year-end report.

Electronic tracing of journalists is a worldwide occurrence to the point that the theme in the UNESCO-organized 2022 conference on World Press Freedom Day is "Journalism Under Surveillance". It meets in Uruguay on May 3.

The use of digital technology-based surveillance that reveals sensitive private information can jeopardize journalists doing investigative work and can be used to harass and attack them.

The Committee to Protect Journalists recorded dozens of journalists who were targeted by spyware in 2011 and 2021.

In its 2021 end-of-year report, the AJI forwarded 10 recommendations addressed to parties cited in the report. They covered press freedom, employment, welfare and professional journalism.

On professionalism, the group called on media corporations and the Press Council to hold courses to upgrade the professionalism of journalists and their understanding of ethics.

Guidelines on gender and child issues should be made as these two areas are often ignored in news reporting.

Such upgrading comes in the light of continuing public complaints the independent Press Council receives on unethical reporting, such as alleged libel, printed matter that injures a person or entity's reputation unjustly.

The Kendari conference, in reviewing press-related events in 2021 and mapping out the road ahead, has a lot on its plate.

With regard to the improvement of journalistic standards, Indonesian journalists need to adhere to the 2006 Journalism Code of Ethics drafted by 29 journalist-related organizations and validated by the Press Council.

Of its 11 articles, three articles should be embedded deeply in a journalist's mindset. Article 1 is on independence.

The journalist should report with balance, accuracy and without malice, independent of any party including the media outlet's owner. Article 2 is on professionalism. Professional practice is about doing the right things in the right way. Article 6 is on integrity. The journalist should not misuse his or her profession and must accept no bribe.

The journalist acts on these core values of independence, professionalism and integrity and produces quality journalism. Quality journalism is the bulwark against the fake news so rampant in social media. It is what makes a media outlet credible and a trusted information provider.

N. Korea calls for economic growth, improved lives

Washington calls on Pyongyang to defund weapons programs, prioritize people's needs

Reuters

Seoul/United Nations

North Korea's parliament pledged to develop the economy and improve people's livelihoods in the face of a "persevering struggle" against international sanctions and the coronavirus pandemic, state media said on Tuesday.

Meanwhile, the United States called on North Korea on Monday to defund its nuclear and ballistic missile programs and prioritize the needs of its own people, as Russia and China blamed sanctions for worsening the humanitarian situation in the hermit Asian state.

The Supreme People's Assembly (SPA), the reclusive state's rubber-stamp parliament, gathered on Feb. 6 and 7 to discuss the budget and adopt laws on childcare and the protection of overseas residents, the official Korea Central News Agency (KCNA) said.

Leader Kim Jong-un did not attend the meeting, which was led by Choe Ryong-hae, his key aide who chairs the SPA standing committee.

The parliament rarely meets and usually serves to approve decisions on budget, personnel and legal issues, as well as the tasks of the ruling Workers' Party, whose members mostly form the assembly.

The gathering came as North Korea faces mounting economic woes amid sanctions over its weapons programs and COVID-19 lockdowns, which sharply cut trade with China, its major ally and economic lifeline.

In December, Kim lauded success made in implementing a five-year economic plan he unveiled early in 2021 but warned of a "great life-and-death struggle this year to boost the economy and improve people's lives".

Kim Tok-hun, premier of the Cabinet overseeing the economy, said at the SPA meeting he aimed to consolidate the foundations for the five-year plan, with metal and chemical industries being key links, the KCNA said.

"Last year, [we] faced more difficult and complicated problems than expected due to the hostile forces' persistent sanctions and the worldwide health crisis but waged persevering struggle to put the country's economy on a new orbit of development," he said.

"We are now faced with the heavy yet responsible task to lay a sure guarantee to implement the five-year plan and make evident changes in developing the economy and improving the standard of people's living."

Kim also vowed to bolster efforts to restore trade and ramp up grain production to "normalize" food rations.

He listed meat, eggs, fruits, vegetables, mushrooms, dairy products and oil-bearing crops as essential items that "greatly contribute to the people's diet".

North Korea has not confirmed any COVID-19 cases but closed borders and imposed strict travel bans and other restrictions.

The economy suffered its biggest contraction in 23 years in 2020 due to sanctions, the pandemic and bad weather.

The United Nations special rapporteur on human rights in North Korea has said the country's most vulnerable people risk starvation amid deepening isolation during the pandemic.

The border shutdown led to an 80 percent drop in two-way shipments in 2020 with China, which had accounted for some 90 percent of North Korea's trade volumes. Both sides resumed trade last month, when a North Korean train arrived in a Chinese border town for the first time since the pandemic.

At the SPA, Finance Minister Ko Jong-bom mapped out this year's budget, including a 33.3 percent hike in expenditures for "tackling the pandemic" and "emergency epidemic prevention work" from last year, the KCNA said in another dispatch.

It did not specify the scale of the budget, but said 15.9 percent of the total would be allotted to defense, similar to last year.

There was no mention of foreign policy or inter-Korean relations, unlike last September when Kim Jong-un hosted the SPA and offered to reopen hotlines with the South while criticizing the US' "hostile policy".

Sanction spotlight

Russia put sanctions against North Korea in the spotlight at the UN Security Council in February as part of its presidency of the 15-member body. However, Russia's UN Ambassador Vassily Nebenzia could not chair the meeting because he tested positive for COVID-19, diplomats said.

"We call on [North Korea] to demonstrate a commitment to the well-being of its own people by respecting human rights, defunding its unlawful [weapons of mass destruction] and ballistic missiles program and prioritizing the needs of its own people — the vulnerable North Koreans," said the US ambassador to the UN, Linda Thomas-Greenfield.

North Korea has been under UN sanctions since 2006 over its nuclear and ballistic missile programs.

In November, Russia and China revived a 2019 push to ease UN sanctions on North Korea in what they described as a bid to improve the humanitarian situation. The move found little support or engagement among council members, so China and Russia have not put it to a vote.

"If the council were to think of ordinary Koreans and not merely geopolitics then this proposal warrants support," Deputy Russian UN Ambassador Dmitry Polyanskiy told the council.

"We believe firmly that the Security Council sanctions apparatus requires a strong dose of humanization."

Test and go



Reuters/Hasnoor Hussain

A medical worker conducts nasal swab tests on people at a drive-in COVID-19 testing site, as the Omicron variant of the virus spreads and becomes the dominant variant in Shah Alam, Selangor, Malaysia, on Tuesday.

Taiwan welcomes second US arms sale under Biden

Agence France-Presse

Taipei

Taiwan thanked the United States on Tuesday for selling some US$100 million worth of equipment and services to support its air and missile defense systems, as China ramps up incursions of warplanes into the island's air defense zone.

Self-ruled democratic Taiwan lives under constant threat of invasion by authoritarian China, which views the island as part of its territory to be seized one day — by force if necessary.

Beijing has significantly increased incursions into Taiwan's air defense identification zone (ADIZ) in recent months, with the final quarter of 2021 seeing a massive spike of incursions.

On Tuesday, Taipei expressed "gratitude" to the US for approving a $100 million arms sale, which will maintain its Patriot missile air defense system.

"This is the second arms sale to Taiwan since President Joe Biden took office and the first time this year," Taiwan's presidential spokesman Xavier Chang said in a statement.

"It [...] reflects the rock-solid partnership between Taiwan and the US."

Taiwan's Defense Ministry said the deal is expected to take effect sometime in March.

According to a statement from US Defense Security Cooperation Agency, the deal covers engineering support and maintenance of air defense systems and will "ensure readiness for air operations".

"The recipient will use this capability as a deterrent to regional threats and to strengthen homeland defense," said the US agency.

The first major arms sale to Taipei under Biden was in August 2021, which saw the approval of 40 155 millimeter M109A6 self-propelled howitzer artillery systems.

Beijing has become increasingly bellicose under Chinese President Xi Jinping, ramping up military, diplomatic and economic pressure on Taiwan.

Taiwan recorded 969 incursions by Chinese warplanes in 2021, according to a database compiled by AFP — more than double the roughly 380 carried out in 2020.

The new year appears to be following the same trend. The defense ministry recorded 52 warplanes entering Taiwan's ADIZ over two days in January, a large uptick over a short period.

The Patriot is a highly mobile surface-to-air missile system that would be a crucial defense against Chinese warplanes.

Washington diplomatically recognizes Beijing over Taipei but it is also bound by Congress to sell Taiwan weapons to defend itself.

Former US president Donald Trump ramped up big-ticket arms sales to Taiwan during his time in office as he feuded with Beijing on a host of issues from trade to national security.

Sales included drones, missile systems and new-generation fighter jets.

Australia's parliament opens election year with apology, PM Morrison under pressure

Kirsty Needham

Reuters/Sydney, Australia

Australia's Prime Minister Scott Morrison on Tuesday apologized to a political staffer who said she was raped in a ministerial office, after a review found half of parliamentary staff had experienced harassment, bullying or sexual assault.

The apology marked a rocky start to an election year for Morrison and came as anti-vaccination protesters gathered outside parliament and his conservative party faced ructions over a religious freedom bill.

An election must be held by May, leaving few parliament sitting days before the federal budget is delivered in March, which is likely to trigger the start of the official campaign.

As parliament sat for the first time in 2022 on Tuesday, a statement was read by the speaker apologizing for "an unacceptable history of workplace bullying, sexual harassment and sexual assault in parliamentary workplaces".

Brittany Higgins, who went public in 2021 with details of her alleged rape that sparked the review, watched from the public gallery as all party leaders pledged change.

"We are sorry, I am sorry to Miss Higgins for the terrible things that took place here," said Morrison, adding that a place that should have been safe "turned out to be a nightmare".

Morrison's personal integrity has been under attack with damaging leaks, including by Higgins, of historical text messages from state and Coalition partner leaders, including some labeling him a "liar".

Polls show Morrison has also been marked down by voters over his handling of the coronavirus pandemic.

On Monday, the government announced Australia would open its borders to international travel on Feb. 21, after two years, in a boost for business and tourism.

The defense force was also sent in to assist aged care homes struggling with staff shortages amid COVID-19.

A Guardian Essential poll on Tuesday morning showed a lift in voters who thought Morrison's handling of the pandemic was good, from 35 percent two weeks ago to 40 percent, but his coalition still trails the opposition Labor Party.

Contentious changes to religious discrimination laws that seek to balance religious freedom with gay and lesbian protections are among the few bills to be debated before the election.

At issue is whether the government has gone far enough in protecting students at faith-based schools from discrimination based on gender identity, with some moderate members of Morrison's Liberal Party threatening to vote against the bill.

Former Olympian swimmer Ian Thorpe was among those lobbying against the bill at parliament on Tuesday because he said it did not protect transgender students who were the most marginalized group in the country.

"It becomes state-sanctioned discrimination," he said.

Morrison told reporters many people had migrated to Australia to escape faith-based discrimination, and he had pledged before the last election to pass laws to ensure their freedom.

"For so many Australians their faith and their religion is their culture," he said.

Pacific trip



Reuters/Pool/Kevin Lamarque

United States Secretary of State Antony Blinken departs for Melbourne, Australia from Joint Base Andrews in Maryland, the US, on Monday. Blinken is on a Pacific trip that also includes Fiji and Hawaii for several meetings with key allies to affirm the US focus on Indo-Pacific region.

Philippines shifts campaigning online amid COVID-19 curbs



AFP/Charism Sayat

Garnering support: Philippine Vice President and opposition presidential candidate Leni Robredo speaks from a truck during a campaign rally in the town of Libamanan, Camarines Sur, south of Manila, on Tuesday, as candidates hit the road for the start of the three-month long campaign season.

Neil Jerome Morales and Karen Lema

Reuters/Manila

Campaigning for the Philippines' general election gets underway officially on Tuesday, with COVID-19 curtailing the traditional fanfare and big rallies and turning the focus to social media as the key battleground for the May 9 contest.

As with the 2016 polls that catapulted Rodrigo Duterte to the presidency, social media will be crucial in the three-month election buildup, while platforms will be under pressure to combat the rampant misinformation that has intensified in the Philippines in recent years, driving hate campaigns and deepening social divisions.

The pandemic has upended campaigning for thousands of positions, from the president down to city council posts, with candidates shifting activities online to reach a population that ranks as one of the world's biggest social media consumers.

Marie Fatima Gaw, communications research professor at the University of the Philippines, said social media was a crucial democratic space but had become "hyper partisan", with hidden political content everywhere and insufficient blocking of inauthentic material.

"The significance of social media now has been exponential," she added.

It has been a vital tool in particular for Ferdinand Marcos Jr, the son and namesake of the former dictator of the 1970s and 1980s, whose harsh rule defined the Philippines' recent history.

Marcos is clear favorite for the presidency and is drawing support from a massive social media campaign, one that critics say is attempting to rewrite the family's controversial history.

The limits on big rallies comes with the Philippines lagging behind with its COVID-19 vaccinations outside of urban centers, with half of the 110 million population inoculated so far, and campaigning underway just weeks after a run of record daily infections.

Roughly 67.5 million Filipinos are eligible to vote, including 1.7 million overseas, in an election for a president, vice president, about 300 lawmakers and roughly 18,000 local government positions.

Apart from Marcos, others vying for the presidency include boxing superstar Manny Pacquiao, Vice President Leni Robredo, Manila Mayor Francisco Domagoso and Senator Panfilo Lacson.

Duterte is not allowed to seek a second term but his popular daughter, Davao Mayor Sara Duterte-Carpio, could see some of his support shifted to Marcos, with whom she will run alongside in her bid for the vice presidency.

The election to choose who runs the country for the next six years will be closely watched by investors too, with a huge task ahead in rebuilding an economy that went from being one of Asia's fastest growing to recording one of its steepest contractions at 9.6 percent in 2020.

After Labour leader hounded, UK PM under pressure over slur

Reuters

London

After protesters hounded the United Kingdom's Labour leader Keir Starmer, Prime Minister Boris Johnson faced pressure on Tuesday to withdraw a claim that the opposition leader had failed to prosecute one of the country's most notorious child abusers.

Johnson, who won a landslide in the 2019 election, is facing the gravest crisis of his premiership after a series of scandals including revelations that he and his staff attended Downing Street parties during COVID-19 lockdowns.

As Johnson apologized to parliament for the parties on Jan. 31, he falsely claimed Starmer had failed to prosecute Jimmy Savile, a late TV star who abused hundreds of children, during his time as director of Public Prosecutions (DPP).

Starmer was confronted by angry protesters on Monday who surrounded him after an anti-COVID vaccination demonstration.

Before being escorted into a police car, some of the protesters could be heard shouting "Traitor!" and "Were you protecting Jimmy Savile?" at him.

"It is really important for our democracy and for his security that the false Savile slurs made against him are withdrawn in full," Conservative lawmaker Julian Smith said.

Another Conservative lawmaker, Roger Gale, said such treatment of Starmer was disgraceful.

"This, I fear, is the direct result of the deliberately careless use of language in the Chamber," Gale said.

The row risks further undermining Johnson's authority as he battles to reshape his Downing Street team and face off claims from opposition parties that he is unfit to govern.

Opposition lawmakers called on Johnson, who cast the harassment of Starmer as disgraceful, to apologize for the Savile remarks.

Savile, a BBC TV and radio host who was never prosecuted despite a number of police investigations, died in 2011, aged 84. After his death it was revealed he had abused hundreds of victims, mainly children. The youngest victim was an 8-year-old boy.

Johnson's supporters said that while the behavior of the protesters was unacceptable, it was a step too far to pin the blame for their actions on the prime minister.

The husband of Jo Cox, a UK lawmaker stabbed to death just days before the 2016 Brexit referendum, said that while those who harassed Starmer were responsible, injecting poison into politics had unintended consequences.

"If you inject poison into politics that has a whole set of unintended consequences," Brendan Cox told BBC radio.

"When you throw around accusations of people protecting pedophiles or not moving against pedophiles, it creates a viscerality of debate and a violence of emotional reaction."

Johnson clarified his remarks on Feb. 3, saying that he had not meant to imply Starmer had personally failed to prosecute one of the UK's most notorious sex offenders.

"I don't think you can point to what the prime minister said as the cause of that — you certainly can't blame him," Chris Philp, the UK's technology and the digital economy minister, told Sky.

"I don't think it in any way justified or provoked or incited the terrible and totally unacceptable harassment and intimidation of the leader of the opposition," Philp said.

Johnson's clarification failed to satisfy Munira Mirza, his head of policy who had worked with him for 14 years and prompted her to quit her job last week. Finance Minister Rishi Sunak has also said he would not have made such a remark.

Time for mourning



Reuters/Brendan McDermid

United States House of Representatives Speaker Nancy Pelosi and members of Congress participate in a moment of silence to mark 900,000 US lives lost to COVID-19 at the US Capitol in Washington, DC, on Monday.

Royal salute



Reuters/Henry Nicholls

Members of the King's Troop, Royal Horse Artillery perform a Royal Gun Salute in Green Park to mark the 70th anniversary of British Queen Elizabeth ascending the throne, in London on Monday.

Trudeau says Canada trucker restrictions protest 'has to stop'

Activists say willing to engage with government, restrictions be eased

Mick Gzowski and Genevieve Norman

Agence France-Presse/Ottawa/Montreal, Canada

Canadian Prime Minister Justin Trudeau demanded an end Monday to a protest by hundreds of truckers against COVID-19 restrictions that has paralyzed the capital, as Ottawa's mayor called on federal authorities for support.

"It has to stop," Trudeau said during an emergency debate in the House of Commons on his return to parliament after isolating for week due to a positive COVID-19 test.

"This pandemic has sucked for all Canadians," the premier said, visibly frustrated over the protests that have brought Ottawa to a standstill for more than week.

"But Canadians know the way to get through it is continuing to listen to science, continuing to lean on each other," he added.

He pledged federal government support "with whatever resources the province and city need", without elaborating what measures might be planned.

Ottawa Mayor Jim Watson earlier urged the federal government to send an additional 1,800 police officers and appoint a mediator to work with protesters to "end this siege" that has infuriated local residents with incessant honking and diesel fumes.

On Sunday, Watson declared a state of emergency in the capital, declaring the protests "out of control".

"They don't know what to do with us," said 59-year-old farmer and trucker John Lambert, who was taking part in the protest.

"All they've got to do is come to their senses. It's up to them to resolve it."

Police measures

The "Freedom Convoy" demonstrations began Jan. 9 in western Canada as protests by truckers angry with vaccine requirements when crossing the United States-Canadian border.

They have since morphed into broader protests against COVID-19 health restrictions and Trudeau's government.

Protest organizer Tamara Lich said activists were willing to engage with the government to find a way out of the crisis but insisted that pandemic restrictions be eased.

"What we're trying to do right now is reaching out to all of the federal parties so that we can arrange a sit down," Lich said during a meeting streamed on YouTube.

With the capital's center blocked and businesses forced to close, police have come under fire for the protracted crisis.

To up the pressure on protesters, Ottawa Police Sunday announced new measures to tame the demonstrations by banning people from bringing fuel and other supplies to the rallies.

"Anyone attempting to bring material supports [gas, etc] to the demonstrators could be subject to arrest," the police said on Twitter.

Officers have since arrested several people, seized multiple vehicles and issued hundreds of traffic tickets.

Protesters had been raising funds to keep up the protests, but were cut off by fundraising site GoFundMe, which said they had violated its policy against content that "promotes behavior in support of violence".

Organizers quickly launched a fundraising campaign on Christian crowdfunding site GiveSendGo that had raised more than US$5 million as of Monday night.

'Reacted too strongly'

Trudeau last week ruled out deploying the army to disperse the protesters "for now", saying that one must be "very, very cautious before deploying the military in situations against Canadians".

"Trudeau has nothing to gain by going to speak to the demonstrators," Genevieve Tellier, a political scientist at the University of Ottawa, told AFP.

But another political analyst, Frederic Boily of the University of Alberta, said the protests could escalate into a full-blown political crisis.

"Justin Trudeau reacted badly initially," Boily said. "He reacted too strongly and too abruptly at the start of the protests when he tried to paint them as a far-right protest."

Boily added that Trudeau "added fuel to the fire" by turning vaccination into a political issue, especially during last summer's election campaign.

But the opposition also finds itself in a bind politically.

The Conservatives, who will soon be voting to elect their new leader, are themselves divided on the issue of the protests.

"They are afraid that part of their supporters will be tempted by the extreme right, but it is a risky bet for them," said political analyst Daniel Beland.

While only about 10 percent of Canadian adults remain unvaccinated, as many as 32 percent of the population support the anti-mandate protests, according to a recent survey.

Israel PM vows action as police Pegasus spying scandal widens

Jonah Mandel and Ben Simon

Agence France-Presse/Jerusalem, Occupied Palestinian Territories

Israel's domestic spying scandal widened Monday, with Prime Minister Naftali Bennett vowing government action following new reports that police illegally used the Pegasus malware to hack phones of dozens of prominent figures.

The latest bombshell from business daily *Calcalist* alleged that Pegasus was used against a son of former premier Benjamin Netanyahu and his advisers, as well as activists, senior government officials, businessmen and others.

Calcalist had previously reported that the controversial malware, which can turn a phone into a pocket spying device, was used by police against leaders of an anti-Netanyahu protest movement.

After Monday's report emerged, Bennett vowed that his government "won't leave this without a response".

"The reports apparently describe a very grave situation that is unacceptable in a democracy," Bennett said.

"These cyber tools were designed to fight terrorism and serious crime, not be used against citizens. We will see to a transparent, in-depth and quick inquiry."

As Bennett pledged action, Public Security Minister Omer Barlev, who oversees the police, said he would seek authorization for a government commission of inquiry.

The police told AFP in a statement that Commissioner Yaakov Shabtai requested an "external and independent investigation committee" and that police would "cooperate fully and transparently".

Pegasus, a malware product made by the Israeli firm NSO Group, is at the center of a months-long international scandal following revelations that it was used by governments worldwide to spy on activists, politicians, journalists and even heads of state.

Israel had already come under fire for allowing the export of the invasive technology to states with poor human rights records.

Calcalist said dozens of people were targeted who were not suspected of criminal conduct, and without police receiving the necessary court approval.

They include senior leaders of the finance, justice and communication ministries, supermarket magnate Rami Levy, mayors, Ethiopian-Israelis who led protests against alleged police misconduct, and two former Netanyahu advisers.

Eyal Cohen, an activist for disabled people who was reportedly surveilled by police, told public television: "I feel they are crushing our rights with a coarse foot. There's no democracy anymore."

Tehilla Shwartz Altshuler, an expert on technology and the law at the Israel Democracy Institute, told AFP the long list of spying targets indicated that police surveillance of private citizens was "not a mistake, it was a policy, it was a way of working".

NSO has consistently denied wrongdoing throughout the multi-stranded Pegasus scandal, stressing that it does not operate the system once sold to clients, and has no access to any of the data collected.

From sewage dump to nature reserve, UN hopes to save Gaza Valley

Nidal al-Mughrabi

Reuters/Gaza, Palestinian Territories

The United Nations is set to begin the restoration of a historic valley in the Palestinian Gaza Strip next month, hoping to transform it from a landfill and sewage dump into a vibrant nature reserve in a planned US$66 million project.

The Gaza Valley, home to a variety of plants and animals, is one of the largest wetland areas in the territory.

It stretches 105 kilometers from the Israeli Negev desert up to southern Hebron in the Israeli-occupied West Bank and for 9 km across the Gaza Strip to the Mediterranean Sea.

But over the past few decades, despite the Palestinians proclaiming the valley a nature reserve in the 1990s, it has become badly polluted. With rubbish piling up and the stench of sewage flowing through it, residents have kept away.

In an attempt to save it, the UN Development Program (UNDP) has put together the $66 million project plan, though it has not yet secured the entire funding.

"It is a full project to develop this site and to turn it from an unhealthy wastewater dump into a place people of Gaza can visit and into a tourist site," said Mohammed Abu Shaaban, the UNDP's project coordinator.

The two-phase project will take several years to complete, said Abu Shaaban. The first funds to come through, $1.3 million from Belgium, will go toward the initial cleanup which is expected to take around four months.

"In March we will start removing the solid waste and the concrete and debris in the Wadi [valley], opening the route, doing the soil reclamation and planting many trees," said Abu Shaaban.

For the past few months, a new water treatment station in central Gaza has allowed treated water to flow into the valley, improving the habitat of dozens of species of birds, mammals, reptiles and amphibians.

In the longer term, the restoration also aims to benefit the people of Gaza, with camping sites, cafes and educational and recreational centers along the valley route.

"Several tourist and economic centers will be built and will provide jobs for unemployed people," said Marwan Hamad, head of Zahra City Council, whose office is involved in the development.

On Sunday, 40 activists visited the site in support of the project.

"We came from all over the Gaza Strip to tell the people that Gaza valley is being transformed and it will be restored as a nature reserve," said Mohammad Aburjaila.



Reuters/Mohammed Salem

Green initiative: Palestinians visit Gaza Valley during a trip organized by the United Nations in central Gaza Strip, Palestinian Territories, on Sunday, as the UN plans to turn the historic valley into a vibrant nature reserve in a project worth US$66 million.

Italy announces intent to host Euro 2032

Reuters

Italy has indicated its interest in hosting the 2032 European Championship to European soccer's governing body, the Union of European Football Associations (UEFA), the Italian Football Federation (FIGC) said on Monday.

UEFA said in December that countries interested in hosting either the 2028 or 2032 European Championships must confirm their bids by March.

The bidders will be announced in April, while the host will be appointed in September 2023.

"In the last few days, the Italian Football Federation presented to UEFA its expression of interest for hosting Euro 2032," the FIGC said in a statement.

Italy had originally planned to bid to host either the Euro 2028 or the 2030 World Cup, but the FIGC said hosting the 2032 European Championship would provide a "wider time window" to modernize the country's stadium infrastructure.

Some Italian stadiums have not been updated since the 1990 World Cup, the last major soccer tournament hosted by Italy alone.

Italy defeated England in the final of the Euro 2020, which was held in several host cities across Europe, with Rome hosting four matches.

Meanwhile, Great Britain and Ireland have announced plans for a bid to host the 2028 European Championship, according to a joint statement on Monday from the football associations of England, Northern Ireland, Scotland, Wales and the Republic of Ireland.

The five associations have dropped plans to bid for the 2030 World Cup and will focus on the Euros, following a feasibility study that analyzed the economic impact and estimated costs of hosting major international tournaments.

"Hosting a UEFA EURO offers a similar return on investment, with the European tournament carrying a far lower delivery cost and the potential of the benefits being realized sooner," they said in a statement.

"We believe the UK and the Republic of Ireland can offer UEFA and European football something special in 2028 — a compact and unique five-way hosting collaboration that will provide a great experience for the teams and the fans."

UEFA said automatic qualification as hosts will not be guaranteed if more than two countries submit a joint bid.

Minimum requirements include having 10 stadiums available, including one with a capacity of at least 60,000 seats and two venues with at least 50,000 seats.

The Euro 2020, postponed to 2021 because of the COVID-19 pandemic, was held in several host cities across Europe, with England hosting a few games including the semifinals and the final at Wembley Stadium, which has a capacity of 90,000 seats.

Germany is hosting the 2024 tournament.

Maximum agility



Reuters/Christian Hartmann

Matthias Mayer of Austria in action during the Beijing 2022 Olympic Winter Games alpine skiing men's Super G at the National Alpine Skiing Center in Yanqing district, Beijing, on Tuesday. Mayer became the first man to win an Alpine skiing gold medal at three consecutive Olympic Games while American Ryan Cochran-Siegle won silver and Norwegian Aleksander Aamodt Kilde a bronze medal.

Rams QB Stafford says pressure to deliver Super Bowl to LA a 'privilege'

Agencies

Los Angeles, United States

Los Angeles Rams quarterback Matthew Stafford put a positive spin on the pressure he is under to deliver a Super Bowl victory on Sunday in front of a hometown crowd and to a city that welcomed back football six years ago.

Meanwhile, Cincinnati Bengals quarterback Joe Burrow has brushed off the hype surrounding his fairytale first Super Bowl, insisting he remains firmly focused on beating the Rams and little else.

The Rams made a trade for Stafford last year with the hope that he would give the team a better chance of winning its first championship since returning to Los Angeles from St. Louis in 2016. This year's game against the Bengals will be played at the Rams' home field of SoFi Stadium, a site chosen years ago.

Asked about the high expectations, Stafford said on Monday that a common refrain among his teammates was that "pressure is a privilege".

"That means something is expected of you, and we expect that in ourselves anyway," Stafford told reporters during a livestreamed news conference, as quoted by Reuters.

"These opportunities are what you play the game for," he added. "I'm so lucky to be in this situation and being able to go out and battle one more time with this great group of guys that I have as teammates and coaches."

The National Football League (NFL) picks Super Bowl sites years in advance. Last season, the Tampa Bay Buccaneers became the first team to win a Super Bowl on their home turf.

Los Angeles had been without an NFL team for two decades until the Rams relocated there in 2016. The Chargers moved to Los Angeles a year later.

Stafford said he wanted his Rams teammates to have fun on football's biggest stage and enjoy the experience, though they realized the high stakes.

He also noted the level of competition the Rams faced from the Bengals, who are led by Burrow, a quarterback known for appearing confident under tough circumstances. Watching film of them playing helped Stafford stay focused on the upcoming challenge, he said.

Stafford turned 34 on Monday and said he would spend the evening "just hanging out with the family at the house".

"There's going to be plenty of time to celebrate my birthday after this week," he said.

Hollywood ending

The 25-year-old Burrows could craft a Hollywood ending worthy of this year's Super Bowl host city on Sunday, AFP reported.

Burrow has led the Bengals to the Ohio franchise's first Super Bowl since 1989 in only his second season in the NFL.

More impressively, the former Heisman Trophy winner has done it after bouncing back from a rookie campaign cut short by a devastating knee injury.

In the playoffs, Burrow showed his pedigree by leading the Bengals to road wins over the top-seeded Tennessee Titans and the mighty Kansas City Chiefs.

Another victory on Sunday would complete a remarkable turnaround for the Bengals, who only two seasons ago finished with a dismal 2-14 record.

But while the narrative surrounding the Bengals has all the makings of a blockbuster, Burrow says his attention is fixed solely on Sunday's game.

"I haven't really thought about any of that," Burrow said on Monday when asked about his route to the Super Bowl.

"I've been focused on game prep and trying to eliminate as many distractions as I can."

"With a Super Bowl in LA, everyone has distractions, and you're going to get pulled in different directions."

It is the sort of steely mindset that has characterized Burrow's play throughout the postseason.

With a Super Bowl less than a week away, Burrow said he was determined to seize the chance before him.

The Bengals lost their previous two Super Bowl appearances in 1989 and 1982, and until this season had not won a playoff game in more than 30 years, the longest drought in the NFL.

US-born Gu wins thrilling Big Air gold for China

Japan's Hanyu to vie for third men's figure skating title

Peter Stebbings

Reuters/Beijing

Californian-born teenage freestyle skier Eileen Gu won gold for China on her Olympic debut on Tuesday at the Beijing 2022 Winter Games as Japanese figure skating icon Yuzuru Hanyu made his eagerly awaited appearance.

Ten gold medals were up for grabs in sports such as curling, luge, snowboarding, speed skating, biathlon and cross-country skiing on the fourth full day of competition in the Chinese capital.

There was also the men's super-G alpine skiing, in which Norway's Aleksander Aamodt Kilde is one of the favorites and eager to make up for the disappointment of finishing fifth in the men's downhill.

But the day belonged to 18-year-old Gu, who justified all the pre-Games hype by nailing her third and final run in the big air event to snatch the gold from Tess Ledeux, forcing the French competitor into the silver medal position.

Gu, known in China as Gu Ailing, collapsed to her knees on the snow, put her gloved hands to her face and screamed in delight at Big Air Shougang, where enormous industrial cooling towers provide a stunning backdrop.

"That was the best moment of my life. The happiest moment, day, whatever [...] of my life. I just cannot believe what just happened."

The grade-A student and part-time model, who switched allegiance from the United States to China in 2019, was touted as one of the faces of the Beijing Olympics and she did not disappoint, despite the huge pressure on her young shoulders.

Needing something special for gold, Gu soared into the crisp, cold air and managed four rotations before grabbing the outside of her ski and landing backwards to cheers from the small, but expectant crowd desperate to see their newfound hero win.

Gu, born to an American father and a Chinese mother, has captivated China and could yet win more golds. She is also competing in the freeski halfpipe and slopestyle.

'Crushing loneliness'

Also wildly popular in China is Japan's Hanyu, who launched his bid for a third Olympic title in a row in men's figure skating.



Reuters

Eileen Gu

The 27-year-old has promised to perform a quadruple axel at the Games, a move no skater has ever landed in competition.

Despite his adoration at home and abroad, Hanyu remains something of an enigma, rarely granting interviews and having no social media presence.

In true Hanyu style, he only jetted into the Chinese capital on Sunday, his arrival whipping his Chinese fans into a social media frenzy.

But he will not have it all his own way and faces stiff competition from the US' Nathan Chen.

Chen is known as the "Quad King" for being the first skater to hit five different "quad jumps" in competition, a move in which the athlete rotates four times in the air.

The Beijing Olympics are taking place inside a COVID-secure "closed loop" bubble to thwart the virus.

The nearly 3,000 athletes and tens of thousands of support staff, volunteers and media are all cocooned within the bubble and cannot leave.

According to the latest official figures, there have been six confirmed cases in the bubble, five of them competitors.

There have been 393 cases since Jan. 23.

Dozens of athletes are among them, including US figure skater Vincent Zhou, whose shot at a medal in the singles competition was torpedoed when he returned a positive PCR test.

"It seems pretty unreal," Zhou said in an emotional video posted late on Monday.

"I've taken all the precautions I can. I've isolated myself so much that the loneliness I've felt in the last month or two has been crushing at times."

Leading by example



AFP/William West

Australian skipper Meg Lanning cuts a ball away from the England bowling during the Women's Ashes one-day international (ODI) cricket match in Melbourne, Australia, on Tuesday. Lanning led her teammates to crush England by eight wickets in the third and final ODI to finish the multiformat Ashes series unbeaten 12-4 on Tuesday.

SCOREBOARD

Basketball

NBA

Results on Monday (home team in CAPS)

Toronto	116	CHARLOTTE	101
Miami	121	WASHINGTON	100
Phoenix	127	CHICAGO	124
Golden State	110	OKLAHOMA CITY	98
UTAH	113	New York	104

Ice Hockey

NHL

Results on Monday (home team in CAPS)

OTTAWA	4	New Jersey	1
TORONTO	4	Carolina	3

Soccer

La Liga

Results on Monday

Athletic Club (2) 2 Espanyol (1) 1

Serie A

Results on Monday

Salernitana (2) 2 Spezia (2) 2

The curse of curve 13 haunts women's singles in crash-packed first two runs

David Kirton

Reuters/Yanqing, Beijing

Every Olympics has its share of heroes, but for many of the women competing in the first half of the singles luge event on Monday evening there was also a clear villain — curve 13.

Exit the small hill into the twisting curve at the finale of the 1,615-meter track a fraction off trajectory, or without quite enough momentum, and even the world's finest might be lucky to escape with only a poor time for injury.

Germany's Julia Taubitz was in the lead after a scintillating run that set a new track record. But then she lost control on curve 13, flipping and skidding along near the finish line.

Though she spent some time with the medical team and was unable to talk to reporters after the race, she will be back again to compete on Tuesday, her coach said. Taubitz is in 14th place at the halfway mark.

He and several experts around the track surmised that the women were hitting the curve just a few kilometers slower than the men on Sunday, with that lack of momentum being a real killer.

But Taubitz's plight highlighted the risks of a sport where athletes hurtle feet-first and face-up down an icy track at speeds exceeding 130 km per hour.



Reuters/Thomas Peter

Treacherous turn: Emily Sweeney of the United States crashes during her run at the Beijing 2022 Olympic Winter Games luge women's singles run 2 at the National Sliding Center in Beijing on Monday.

The United States' Emily Sweeney, who broke her neck in the competition four years ago, had a strong first run, but then she too was hit by the curse of curve 13.

"That was hard," she said, fighting back tears. "It's a tough spot you have to come out right, if you're not correct coming out then the track gives away and you're weightless."

"If you're crooked a little bit in your sled or you're not in the right spot, it'll get you."

She goes into Tuesday's deciding runs in 28th place — scant reward for her work to recover.

So too struggled Sweeney's teammate Summer Britcher, who was already nursing a broken middle finger. She is in 26th place

Add to the list Austria's Madeleine Egle, a bronze medalist in Pyeongchang and one of the favorites, who flipped at curve 13 as well and lies in seventh place.

"You just have to keep calm and you need to have the right direction when you get out of the curve, because you can't steer anything in the other direction, or you'll skid or flip over," she said.

Tatyana Ivanova, who endured bone and ligament damage in a crash on the same track in November, also crashed through curve 13, though the Russian managed to place third.

Amid all the chaos, the favorite and reigning gold medalist Natalie Geisenberger of Germany finished the first two rounds in pole position, followed by compatriot Anna Berreiter.

"I'm not thinking about this position because you saw today there's so many crashes, so many bad situations for drivers crashing on exit 13, so I'm happy that I had two good runs," said Geisenberger.

"It's a hard situation and I think maybe I won't sleep so well today."

With all the injuries, an outsider might ask if curve 13 is simply too dangerous. But the competitors are another breed.

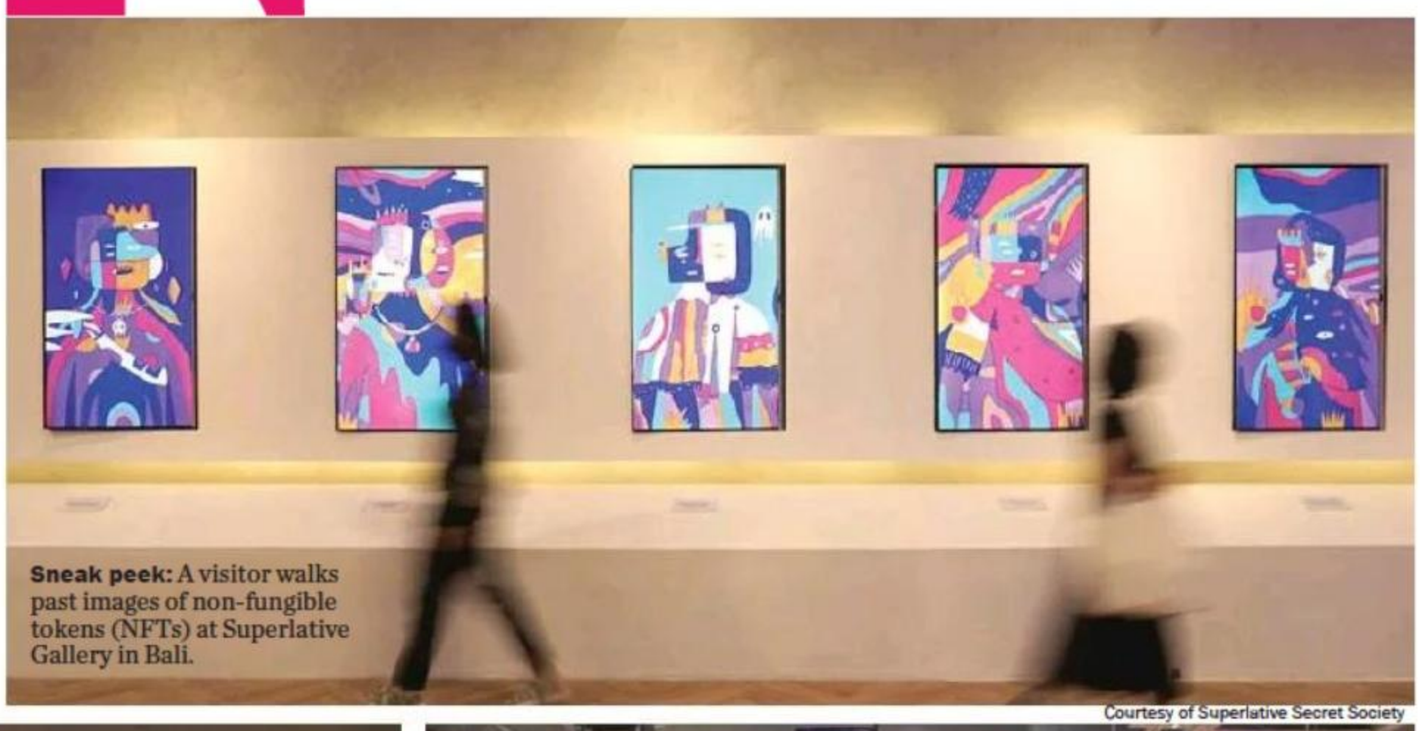
"It's a cool curve, it's good that there are some technical difficulties otherwise it would be boring," said Egle.

"I think it's cool to slide and to figure, it might make you crash, but still, it has a good feeling."

INDONESIA WELCOMES NFTS

SOUTHEAST ASIA'S FIRST PHYSICAL NFT ART GALLERY OPENS IN BALI

Within months in the art world and beyond, NFTs went from an obscure acronym to a 24/7 obsession. Now they are taking over Bali.



Sneak peek: A visitor walks past images of non-fungible tokens (NFTs) at Superlative Gallery in Bali.

Courtesy of Superlative Secret Society



It's official!: Live projection during the Superlative Gallery opening of Superlative Secret Society (SSS) advertisements at Times Square NYC, the United States, on Jan. 11.

Courtesy of Superlative Secret Society



NFT Hub: Superlative Gallery on Jan. 11 with the SuperlativeSS NFT art series.

Courtesy of Superlative Secret Society

Richard Horstman

Contributor/Denpasar

The historical March 2021 sale of a Beeple artwork for US$69 million set speculators ablaze, rushing to purchase this new genre of digitally encrypted assets. The market for non-fungible tokens (NFTs), assets tokenized on the blockchain to verify authenticity, is booming yet is an unregulated sphere in the wild west of decentralized finance (DeFi).

Digital designers, creatives and conventional artists are targeting the NFT space. Artists are especially attracted by opportunities to monetize their work outside of the exploitative conventional art world and embracing the 21st-century digital creative economy. Minting, sales platforms and online communities, consequently, have quickly evolved. However, physical infrastructure, a seeming misnomer and adverse to the digital realm requires distinct visions and strategic planning. Unfortunately, until recently, it has remained nonexistent.

Southeast Asia's first physical NFT art gallery has opened in Bali. Superlative Gallery, an extensive exhibition and community space in Legian displaying NFT art on large screens opened on Jan. 11. The gallery is one aspect of the supportive infrastructure to develop the Superlative Secret Society (SSS), a community of NFT art enthusiasts and collectors.

The opening was highlighted by a teaser of REPUS, the second series of its NFT art collections, and six days of public discussions. From Jan. 11 to 16, SSS took over Times Square in NYC, with Superlative ads pulsating across big screens to the global audience once every 30 minutes.

Four young Javanese visionaries, Prasetyo Budiman, Arief Wijaksana, Adam Adha and Faatih Rifqi Muqaffi dream of empowering Indonesian creative communities and occupy the SSS hot seat. The SSS road map is a tactical plan to expand their reach in the real world on a global scale and virtually across the Metaverse and NFT space.

Following the phenomenal success of their first NFT art series launched in September 2021, making more than 4600 Ethereum ($15 million) worth of sales on the OpenSea platform, they financed the first regional NFT art gallery. In addition, the SSS marketing includes pop-up events in Jakarta, New York and the United Kingdom. Strategically located in Bali, SSS aims to capitalize upon the island's international branding power while introducing Indonesian artists to international audiences.

"The objective of Superlative Gallery is to embrace local and international artists while encouraging them within this very sophisticated realm. We envision the gallery as an NFT hub where digital and conventional artists can meet and collaborate," CEO and cofounder of SSS, Prasetyo Budiman, said.

"Art and creativity in Bali have a rich cultural history and we intend to support the Balinese and help create opportunities for them. Our mantra is, from community to community, from artist to artist."

SSS NFT art

The SuperlativeSS NFT art series is a collection of 11,110 programmatically generated and distinct avatars, made from more than 220 pieces of hand-drawn artworks by SSS illustrator and cofounder Arief Wijaksana. The multicolored, fragmented figurations describe avatars that fuse animal, robotic, alien and human features.

"Drawing has been a hobby since childhood," said Arief, born in 1989 in Tangerang, who previously worked at a digital agency as an illustrator and motion designer.

"My style is more like doodles, lines that connect without breaking. My journey into creating NFT art was trial and error. However, being a part of the SSS team has now allowed me to fulfill my dream of being a professional artist.

"Beyond the financial and ownership advantages of NFTs, one of the most valuable benefits for artists is building relationships and connections. Artists and illustrators can get acquainted with their foreign counterparts and collaborate.

"In comparison, NFT collectors can acquire useful connections and information about the NFT art scene. In addition, they can learn about current technological developments, especially blockchain technology, Web 3.0 and the metaverse."

Education

The NFT art space is plagued with hacking, scams, fraud, theft and plagiarism. In addition, there are grey areas, misconstrued ideas and general confusion. Education is essential to assist in the positive development of the space so new enthusiasts and collectors can learn to do their due diligence to understand the market and the collectors in the process of achieving success.

"The digital sphere increasingly negates the need for physical human contact. We believe, however, that real human interaction is essential. It's fundamental to developing strong relationships based on trust," said SSS cofounder and community manager Adam Adha, born in Jakarta in 1998, who has a degree in sociology and a background in digital marketing.

"I oversee the introduction of SSS to a broader audience through social media portals Twitter and Discord. Networking and sharing knowledge about our objectives while introducing new SSS members to NFT projects. Our gallery program is a vital aspect in community building."

Giving Back

"Giving back is mandatory, and we have a policy of social responsibility. Our donations total more than $35,000 to Share The Meal to help fight global hunger, amounting to over 65,000 meals, distributed through the World Food Program African region," said Prasetyo, who was born in Kebumen, Central Java, in 1996.

"Bali is the face of Indonesia, while our SSS community of collectors is scattered throughout the world. The SSS founders love everything Bali and are saddened by the dramatic downturn in the economy. We wish to build sustainable infrastructure for the local creative communities and assist in the Bali recovery."

Superlative Gallery
Jalan Legian No. 99,
Kuta, Badung, Bali.



Fantastic four: SSS cofounders (*from left*) Faatih Rifqi Muqaffi Adam Adha, Moch Arief Witjaksana and Prasetyo Budiman.

Courtesy of Superlative Secret Society

BALI EXPOSÉ

Starbucks opens Dewata Coffee Experience Center

Starbucks has opened the Dewata Coffee Experience Center in Bali, the latest addition to a series of interactive experiences that celebrate the seed-to-cup journey, as this year marks 20 years of Starbucks' retail presence in Indonesia.

The center was opened on Jan. 21, with customers invited to experience the latest new addition.

Anthony McEvoy, leader of Starbucks at PT Sari Coffee Indonesia said, "We are very proud that we are making another milestone here by opening the Dewata Coffee Experience Center, serving a range of Starbucks coffees, all locally grown, sourced, and roasted coffee exclusively in Indonesia, starting with coffee from the Aceh region.

"The Dewata Coffee Experience Center amplifies our leadership and passion for coffee, as well as our commitment to Indonesia's rich coffee culture."

"Aligned with Starbucks global mission to inspire and nurture the human spirit, the Dewata Coffee Experience Center is also an immersive coffee destination that is thoughtfully designed to celebrate the connection between our customers, communities and coffee farmers that is an essential part in serving our coffee," he added.

"We believe that by highlighting the dedication and care involved in coffee's creation, the more appreciation others will have to ensuring its future, and we want to reaffirm our commitment to supporting coffee farmers in Indonesia by working closely with the Farmer Support Center to ensure a sustainable future of coffee for all."

Customers visiting the new Coffee Experience Center can learn about the art and science behind sourcing, roasting and brewing coffee, and explore coffee through interactive workshops hosted onsite.



The Apurva Kempinski Bali celebrates Indonesia's Unity in Diversity



Tasting the life-enriching, diverse, unique ambience of Indonesia's cultures in one hotel might remain a dream for many. But not in The Apurva Kempinski Bali.

The resort has unveiled its 2022 brand campaign titled Unity in Diversity, a celebration of the rich cultural diversity, heritage and philosophy of Indonesia's seven main regions: Sumatra, Java, Nusa Tenggara, Kalimantan, Sulawesi, Maluku and Papua.

"These will be part of the guest experiences throughout the resort, which portray mystical stories from those regions, their holistic treatments, culinary diversity, craftsmanship and traditional games," said the resort in a statement.

It says that throughout the year, there will be distinctive bimonthly programs, special events, exhibitions and displays by highly acclaimed artisans, all adding to the dizzying picture of Indonesia's diversity.

"Each of the resort's eclectic dining venues will invite guests to explore the traditional dishes of each region, while holistic wisdom from different destinations will be presented at Apurva," it said.

Spa. Jalak Family Club will introduce children to the wonders of traditional games.

According to the resort, highlights are the aromatic journey with Tanamera Coffee; effortless savoir-faire with Cyril Kongo; the archipelago through the lens of world-class anthropologist Dr Lawrence Blair; a series of art and craftsmanship activities with the well-known Raul Renanda; cultivating the next generation of leaders through vocational programs with Politeknik Negeri Bali and the Bali Culinary Pastry School; a monthly jazz soiree in partnership with the world-renowned Ubud.

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BIDDING

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INDONESIAN ICONS

THE GET-TOGETHER TRADITION OF 'ARISAN'

From a decades-long tradition to movie inspiration arisan is a social rite, financial help, a fun get-together and more.



Unsplash/Courtesy of Shubhesh Aggarwal

Despite stigma: Some say *arisan* are only for socialites, but in reality, the practice has helped people with their financial situations.



Unsplash/Courtesy of Stefan Vladimirov

Big meal: *Arisan* with friends or relatives gives everyone a chance to enjoy a satisfying meal together.

Radhiyya Indra

The Jakarta Post/Jakarta

As today's youth experience the rising trend in blockchains, stocks and shares, investments are now a hot topic that goes beyond the usual investor crowd. Young Indonesians are dipping their toes in the cryptocurrency world.

But among the many trendy online mutual funds, a decades-old financial culture is still very much alive thanks to its enjoyable practice.

"I've held *arisan* with my friends since 1982," 72-year-old Tien from Parongpong, West Bandung Regency, said to *The Jakarta Post* on Jan. 15.

Arisan, the name for a rotating savings and credit association (which also exists in various countries from Asia to Africa), is a social gathering where people chip in money and circulate it through a lottery in a trusting circle of friends or relatives. The practice has long existed in Indonesian communities from villages to urban areas. It was even immortalized in popular culture through the award-winning 2003 film *Arisan!* by renowned filmmakers Nia Dinata and Joko Anwar.

Some people might be familiar with its stereotypes — only socialite or middle-aged moms join *arisan* — and its stigmas — *arisan* is a place to gossip — but in reality, *arisan* has helped a lot of people's financial situations.

Family bonds and financial help

Tien first became acquainted with her *arisan* friends at the Banjarsari elementary school in Jl. Merdeka, Bandung, where all their children went. This was back in 1982.

"As time went on, we thought, let's just have an *arisan* so our bond is not lost," she said. Like many would reason, it always feels better to hold an *arisan* instead of "useless gatherings."

Now, almost half a century later, the tradition continues. Tien and her friends often bring their grandchildren to the *arisan* to meet each others' families.

"The family bond feels good, even my six-year-old grandson called my friend's husband the other day to say thank you for giving him a candy," Tien said.

The longevity of their friendship through the *arisan* is something that Tien cherishes. "[It has been going] since our children were in kindergarten, when we were still young, before we even covered our heads with the hijab," she laughed. "We've become sisters."

Over the years, the *arisan* money they've collected has made many of Tien and her *arisan* friends' dreams come true — from buying expensive goods to going abroad as a group. But the "lottery" is never a rigid system. Whenever an *arisan* member finds themselves in difficult times, the group directs the money to help them.

"It's already [second nature], no need to discuss it anymore," Tien said about the terms of allocating *arisan* money for emergencies. Three of the members' husbands have died over the years, and each has been helped by the *arisan* fund. "When my daughter was hospitalized once, [the *arisan* friends] even accompanied me to Jakarta."

Moreover, the money that they have agreed to pay monthly never becomes a chokehold on members who are struggling financially.

"If I couldn't afford to pay the monthly saving, I would pay half the price and another member would also pay half so we can combine the sum. There's no forcing between us," she said.

Political power

With the many names it has in different countries (*tandas* in Latin America, *kameti* in Pakistan, *hui* in Chinese communities in East and Southeast Asia), *arisan* in its essence is a general saving system that many countries have.

"But it bloomed in Indonesia out of a long agrarian tradition, with its early concept of *gotong-royong* (mutual cooperation)." historian Andi Achdian explained to the *Post* on Jan. 19.

Andi, whose research in East Java delves into the long history of *arisan*, said the early agrarian form of *arisan* was villagers putting their harvest together in one barn. The modern version that we know now emerged when they moved to the Dutch East Indies cities around the end of the 19th century.

"The villagers were trying to survive, some of them became factory workers, housemaids, etc. [...], so they worked together as a community to develop a mechanism [to help them] if, for example, a death or other matters that required a lot of money occurred," he said.

"So there was a kind of safety net for the poor in the urban environment at the time."

And it turns out, *arisan* played quite a big role in shaping the people as a political force.

"The form of *arisan* was used as the basis for organizing people during the anti-colonial movement. In terms of organizing the community, some of the activists [back then] made *arisan* a kind of tradition that was developed into bigger things in political organizations," he explained.

"At that time, collective awareness was driven by workers, farmers and the poor in urban areas. And the most effective way to do that was through *arisan*."

Spanning generations

These days, *arisan* has had a new breath of life, perhaps for better or worse. Online *arisan* whose members are total strangers is currently popping up on the internet. But incidents in which one person embezzled the money have bloomed from this practice, one example being a 32-year-old woman from West Kotawaringin Regency, Kalimantan who embezzled around Rp 250 million (US$17,471) on Dec. 23, 2021.



Courtesy of Tien

"[With online *arisan*], the principle of building a community, a collective through social gathering is, perhaps, not represented. So, in terms of its culture, it's a [bit different]," Andi said.

However sketchy its online form might look, it shows that *arisan* lives through many generations and reiterations.

"My family's *arisan* members consist of my cousins as I happen to have eight siblings. [...] Men and women all join the pool, so not only mothers are involved," 54-year-old Indah Kurniati from Tangerang said.

This big *arisan* family allows her and her cousins' children to know each other and play together. And in the end, now Indah's 26-year-old daughter even has her own *arisan* circle with her same-aged friends.

"I formed an *arisan* group with my college friends from the campus promotion team," Mariyatul "Tia" Qibtiyah said to the *Post* on Jan. 17.

A graduate of Al-Azhar Indonesia University in South Jakarta, Tia and her friends of around 30 people decided in 2018 to keep meeting up through *arisan*.

"Since we are busy, we often do it online because we're worried that if we met once a month, only a few of us would be able to come," she said. "So instead of [the common monthly get-together], we have a party every now and then," she added.

Asked why she and her friends prefer *arisan* over other profit-oriented investments, Tia said she was fond of its tight-knit relationship.

"*Arisan* produces a different kind of euphoria, basically," she concluded. "It's not old or outdated as many might think."

Decades-old friendship: Tien (*center, below*) and her arisan friends pose in front of a restaurant where they held their monthly gathering in 2018.



Unsplash/Courtesy of Tyler Nix

Bonding: For big families, *arisan* can help them get to know each other better.

Take a sad song & make it better 'HEY JUDE' NFT FETCHES $77,000



AFP/Valerie Macon

Memorabilia: Julian Lennon poses in front of the NFT part of the Lennon Connection: The NFT Collection auction featuring cherished Beatles and John Lennon memorabilia from his private collection at Julien's Auctions in Beverly Hills, California, the United States, on Jan. 25.

Agence France-Presse

Beverly Hills, United States

A virtual version of the handwritten notes for the song "Hey Jude" has been sold at auction in California, the United States, for almost US$77,000, the latest hammer price success for non-fungible tokens (NFTs).

Originally entitled "Hey Jules", the Fab Four's hit was written in 1968 by Paul McCartney to comfort a young Julian Lennon during his father John's separation from his mother, Cynthia.

The NFT version of the notes was presented as an animation in which the words are progressively inscribed on the page and was accompanied by an audio commentary from Lennon junior.

"For me, just looking at a picture is not enough if I was a buyer," Lennon earlier told AFP in Los Angeles.

"So I wanted to add something a little more personal. And for me, that was writing and narrating a little bit of story that would be behind the images."

The sale, by Julien's Auctions, also included an NFT of the Afghan coat worn by his father on the set of "Magical Mystery Tour", which fetched $22,400.

NFTs are unique digital objects that confer ownership.

While their content may be copiable, the NFT is "the original", in much the same way that there are innumerable prints of Leonardo da Vinci's *Mona Lisa*, but only the Louvre museum has the original.

Investors and wealthy collectors have clamored in recent months to get involved in the latest digital craze, which relies on the same blockchain technology that powers cryptocurrencies and cannot be forged or otherwise manipulated.

Recent auctions have seen eye-watering sums paid for NFTs, including a staggering $69.3 million for a digital work by artist Beeple at a sale at Christie's.

'MATRIX' COPRODUCER SUES WARNER OVER STREAMING RELEASE: REPORT

Agence France-Presse

Los Angeles, United States

A coproducer of *The Matrix Resurrections* is suing Warner Bros. alleging breach of contract over the studio's decision to release the movie on a streaming platform at the same time as it hit theaters, a report said on Monday.

The suit, filed in Los Angeles, the United States, is the latest chapter in a growing battle between those who stand to profit from cinematic releases and Hollywood studios who want to grow their streaming services.

It follows a very public spat between Scarlett Johansson and Disney in which the *Black Widow* star sued for loss of earnings because the film hit Disney+ while it was still in theaters. The two sides later settled out of court.

WarnerMedia, the parent of Warner Bros. released its entire 2021 catalogue on HBO Max, as Hollywood grappled with the COVID-19 pandemic and closed theaters.

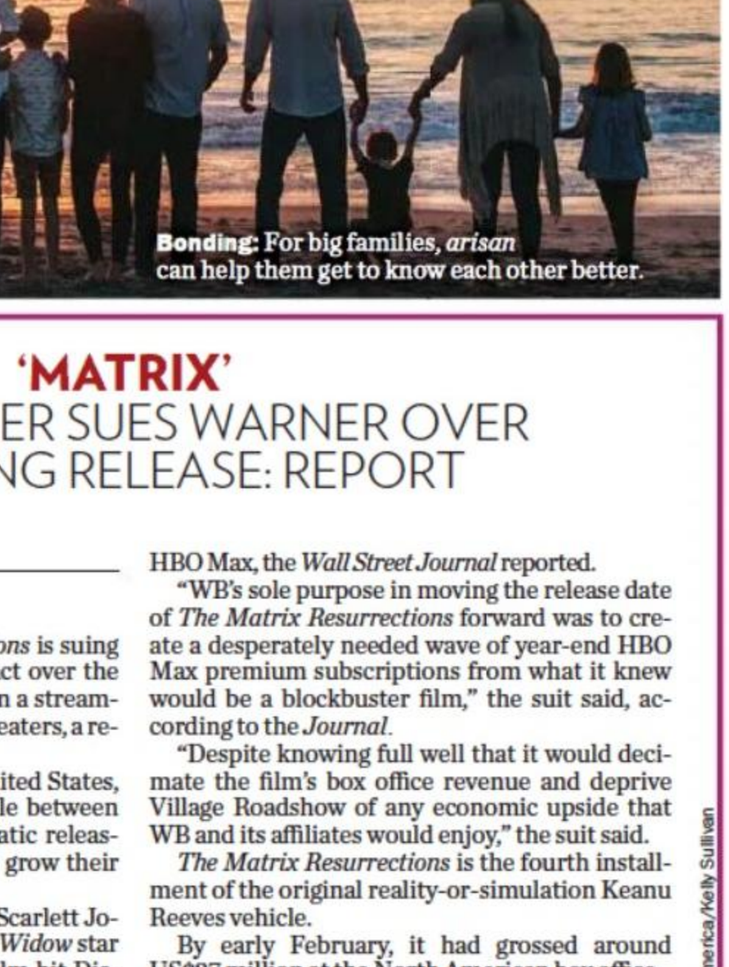
The suit by Village Roadshow Entertainment Group alleges the studio moved *The Matrix Resurrections* release date to 2021 from its originally scheduled 2022 to help drive more subscriptions to HBO Max, the *Wall Street Journal* reported.

"WB's sole purpose in moving the release date of *The Matrix Resurrections* forward was to create a desperately needed wave of year-end HBO Max premium subscriptions from what it knew would be a blockbuster film," the suit said, according to the *Journal*.

"Despite knowing full well that it would decimate the film's box office revenue and deprive Village Roadshow of any economic upside that WB and its affiliates would enjoy," the suit said.

The Matrix Resurrections is the fourth installment of the original reality-or-simulation Keanu Reeves vehicle.

By early February, it had grossed around US$37 million at the North American box office. *The Matrix*, by contrast, took $172 million.



AFP/Getty Images North America/Kelly Sullivan

Latest chapter: Carrie-Anne Moss (*left*), Lana Wachowski (*center*) and Keanu Reeves attend *The Matrix Resurrections*' United States premiere screening at the Castro Theater in San Francisco, California, the US, on Dec. 18, 2021. A coproducer of the movie is suing Warner Bros. for releasing the much-awaited sequel on a streaming platform at the same time as it hit theaters.*