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Is the Virus Gender Neutral? The Impact of COVID-19 Outbreaks on Women's Entrepreneurship Development in Indonesia

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Introduction

Small and medium enterprises (SMEs) play a pivotal role in Indonesian economic development. In 2018, the Ministry of Cooperatives and Small and Medium Enterprises reported that nearly 65 million units of MSMEs create jobs for 117 million workers. MSMEs contributed to nearly three-fifths of Indonesia's GDP. Given this fact, the key drivers of high economic growth driven by strong domestic demand is a harvest of consistent support by the Indonesian government to SME development. Prior to 2000, Indonesia's SMEs were concentrated in agriculture, displayed lower productivity, were less likely to be foreign-owned and produced less export-oriented products (Hill 2001). This feature remains to exist until today. Data from Statistic Indonesia (2016) suggests that in Indonesia, 48.85% of SMEs were agriculturally focused. A quarter of them were engaged in trading, hotels, and restaurants.

Concerning the share of employment by sectors, between 1990 and 2020, the ILO data projection reveals that women are more concentrated in the trade and manufacturing sectors (Figure 1). Women's share of employment in trade and hospitality rose from below 20% to 35%, while the shift out from the agricultural workforce to this sector has been faster in the last five years. Meanwhile, the manufacturing workforce stayed around 10%-15%, indicating a serious longer-term lack of job creation in this sector



Business
and Industry



Indonesia



2010

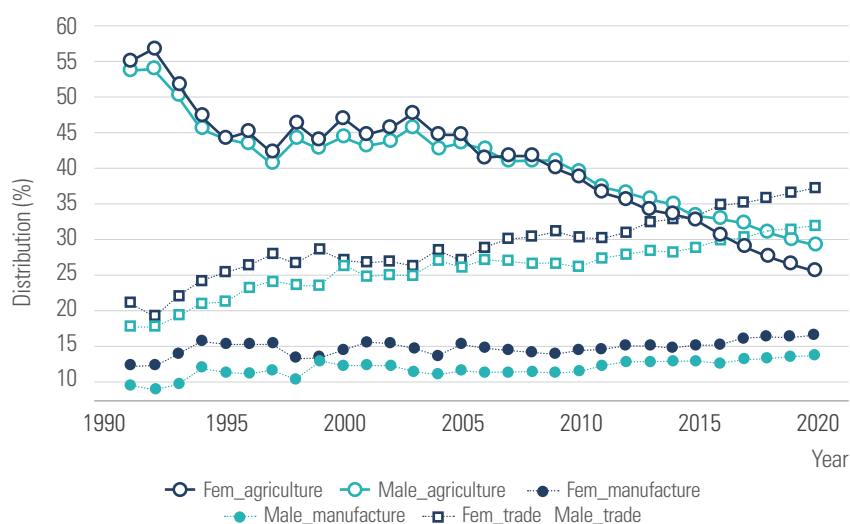


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(Dong and Manning 2017). Further, the rapid growth of the Indonesian economy in the last two decades gives an opportunity for women to enter the world of business and entrepreneurship. The term “entrepreneur” refers to different economic agents, such as the founder of a startup, a member of the directing board of a company, a self-employed person, an inherited business owner, an innovating manager and so on and so forth (OECD 2012). As such, entrepreneurs may not always be a person who has her own business. As entrepreneurs, she has to perform all functions involved in managing enterprises, particularly in making decisions for handling and undertaking business risks and innovation. In the context of Indonesia, women entrepreneurs are associated with a person who owns her business, or a self-employed person. Given this fact, an innovative manager or the founder of a startup may not be classified as an entrepreneur unless the business is under her name.

Figure 1.

Employment distribution by gender and sector, 1990-2020



Source: ILO database, 2020

The estimation of women entrepreneurs varies due to different classifications and limitation of representative data. Regardless of the definition women entrepreneurs, women-owned SMEs is estimated at about 23% of the female adult population (World Bank 2016). The limited

availability of current data on women entrepreneurs in Indonesia may limit understanding in which sectors women entrepreneurs should operate SMEs. A current study by the International Labour Organization (ILO) and Investing in Women (IW) supports that women-owned enterprises are engaged in sectors where women more dominantly work than men do. The survey was conducted between May and June 2020 with 416 enterprises. Their study finds that 19% of women-owned SMEs were engaged in the manufacturing sector, followed by other service activities (10%) and shop-keeping, sales or trade activities (10%) (ILO 2020).

Despite the fact that the proportion of women entrepreneurs remains lower than men entrepreneurs, women-owned SMEs are growing significantly faster than those owned by men (GEM 2019). Further, this report also highlights that the ratio between female and male in Total Entrepreneurial Activity (TEA) is higher in Indonesia (1.01) compared to the global average (0.69) in 2018. Only nine out of fifty-nine economies have reported women entrepreneurial behavior at levels equal to (parity) or greater. The ratio of TEA women entrepreneurs at a parity level is found in services industries such as wholesale, trading, financial, and consumer services.

The report also measures established business ownership. That is, the proportion of adults who own and manage an existing enterprise within 42 months. The capability of women in established business (11%) is slightly lower than the capability of men (12.5%) in established a business. Similarly, on average, the level of business discontinuance rates is about 28% higher for women than for men. Given this fact, women entrepreneurs are more vulnerable than men entrepreneurs. This data reflects the condition of women entrepreneurs in the stable economic situation in 2018. Little is known about their resilience and behavior in coping with calamity and disaster.

Given the result of the GEM survey, the higher value of gender parity in TEA for the Indonesian case is perhaps influenced by some important aspects. First, women entrepreneurs have financial and material support from their family or husband's business. For small and medium scale enterprises, joint business ownership between women entrepreneurs and their relatives –mostly their partners - are commonly found in businesses for which women are registered as owners (World Bank 2016). Meanwhile, in the case of women who inherited businesses, particularly medium and

large ones, their family usually makes marriage arrangements for them to maintain business continuance. In this case, the woman may marry a successful businessperson or a man who runs a business closely related to the woman's family business. For example, the rise of startup businesses run by women occurred mostly in fashion, beauty products, marketplaces and food. They establish their business for the first time with support from their husband or their family (Hasibuan 2019). Having a big name in her business is probably a guarantee to attract either foreign or domestic investors to finance her business.

Second, the closing gender gap in education may contribute to making women more eligible to run their own business. Women entrepreneurs are notably heterogeneous in terms of firm size and educational background. The prevalence of women with a higher level of education and higher return on investment are quite low. The GEM result probably only captures the middle and large enterprises, therefore the TEA ratio stands at parity level. However, an important aspect overlooked in the feature of Indonesian female entrepreneurs is micro and small enterprises. The intention of women to become involved in entrepreneurship is more likely because they can afford to pay the expensive cost to enter formal labour market (Hallwart-Driemeier, Hasan Tazeen, and Rusu 2013). Data in 2011 from the Ministry of Women Empowerment and Child Protection estimated that women own 60% or around 33 million of MSMEs. This data also indicates the parity in entrepreneurial activity between men and women in Indonesia, although the qualities of how run the business and handle risks are noticeably lower than that of men entrepreneurs.

Today, COVID-19 has become a major concern for people around the world. Theoretically, in dealing with business risks, any shock should be gender-neutral. There is no discrimination in the effect of crisis toward gender. However, the current health crisis is different. Indonesia was hit by the Asian Financial Crisis in 1997-1998, which caused economic growth to drop by -13.6%. The current situation is different from those previous crises. Indonesia may not have enough experience to manage and cope with a health crisis, although the prevalence of malaria, DBD dengue and TBC was high across the islands.

The GoI introduces measures to reduce the risk of virus transmission by partially locking down affected areas, restricting travel and banning mass gatherings. These policies have reduced domestic demand and have

threatened businesses, particularly for SMEs. Consequently, it is predicted that this health crisis can cause a massive increase in the natural rate of employment, deepening poverty and widening the gender gap.

Impact of COVID-19

As I wrote this paper, the total number of infections nationwide is 190,665 people, with the death toll at 7,940 million, and 136,401 patients in recovery. This official data, for some observers, may be meaningless, as they believe that the number of cases could be much higher than official figures. People are not taking COVID-19 seriously. They tend to pretend that this outbreak does not exist. The key feature of much concern is that more than 100 doctors have died from the virus in the past six months; the number of cases reached a high record of 3,000 cases in two consecutive days last week. This number is predicted to keep going up as the experts believe Indonesia is still experiencing its first wave and is yet to see a peak (Souisa, Renaldi, and Wibawa 2020).

Figure 2.
Map of COVID-19 outbreaks by Province in Indonesia

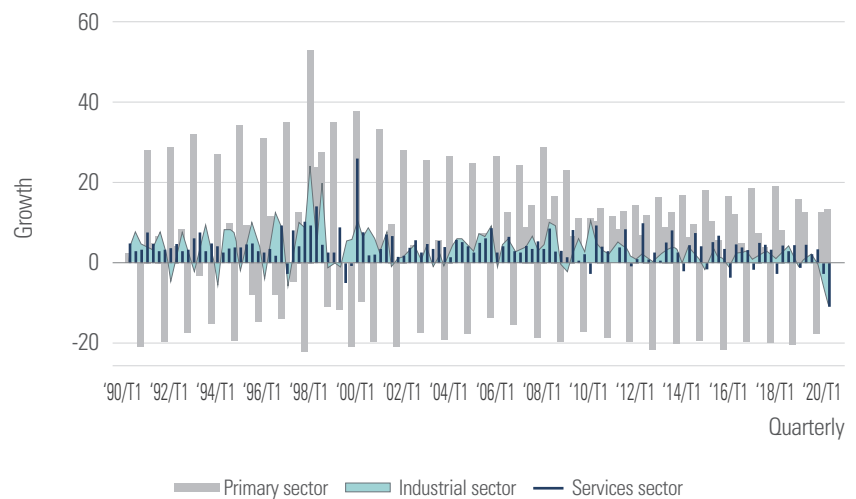


Source: Indonesia COVID-19 Acceleration Tasks Force (COVID-19.go.id), 2020

Data from the Indonesia COVID-19 Acceleration Task Force (*Satuan Tugas Penanganan COVID-19*) and Indonesia National Board for Disaster

Management (*Badan Nasional Penanggulangan Bencana-BNPB*) stated that the comparison of cases between women and men shows a quite balanced prevalence. The coronavirus has spread throughout 34 Provinces and 456 out of 514 district/cities in Indonesia. The highest numbers of cases are found in East Java, Jakarta, South Sulawesi, Central Java and South Kalimantan Province. Mapping the spread of the prevalence of the virus is important for two reasons. First, it helps the government enforce a set of protocols regarding pre-conditions, timings, priorities, national-regional coordination as well as monitoring and evaluation. Second, this information should be spread widely and easily to be accessed by the public to help citizens make decisions on whether they can go to particular places or where they have to stay alert of COVID-19.

Figure 3.
Indonesia's GDP growth by sectors 1990-2020



Sources: CEIC database, 2020

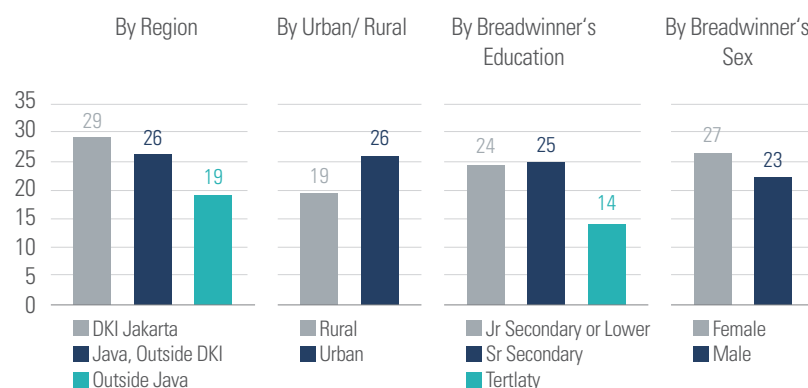
Turning to the impact of the COVID-19 pandemic on the Indonesian economy, figure 3 exhibits economic growth by three main economies activities. In the second quarter of 2020 against the first quarter of 2020 (q-to-q), experienced a contraction growth of 4.19 percent. Business fields experiencing growth contraction include transportation and warehousing by 29.22 percent; provision of accommodation and food services by 22.31

percent; and other Services by 15.12 percent. On the other hand, several business fields are still experiencing growth, namely agriculture, forestry, and fishery by 16.24 percent; information and communication by 3.44 percent; and procurement water, waste management, waste and recycling by 1.28 percent.

Before the COVID-19 crisis, the natural unemployment rate stood at 5.31 per cent for men and 5.23 per cent for women in 2019. This unemployment rate is the lowest rate in Indonesia since 2015 (Statistic Indonesia 2019). Part-time job workers or some people classified as disguised unemployment who work less than 35 hours per week and do not seek a permanent job are higher among women employed (32.31%) than those of men (16.39%).

Overall, a recent study by the World Bank (2020) suggests that more than 30 per cent of Indonesians employed have stopped working as a consequence of the partial economy lockdown. This is about one-third of those working in manufacturing; construction; transport; storage; and communication. In detail, information on how the health crisis affects job status by subgroups is presented in figure 4. For those employed who work in Java, particularly in the capital city of Indonesia, rural areas, and have received senior secondary education or lower are more likely to stop working. Meanwhile, female breadwinners are slightly more likely to leave their current job than men breadwinners.

Figure 4.
Percentage of suspended employment by several categories, August 2020



Source: World Bank, 2020

A further impact of this virus outbreak has also reportedly affected young Indonesian entrepreneurs. A current survey conducted by UNDP under the Youth Co. program has reported that 79% of Indonesia young entrepreneurs have stopped running their business. Nearly half of 756 young entrepreneurs reported that the total value of sales has contracted by 81%, while only 6% of them could make a profit during this current pandemic. To counter this adverse effect of the crisis, they have started developing support systems through various youth entrepreneurs' networks.

The emergence of the 'gig' economy in which work status and employment protection is generally controlled by platforms is probably one of the solutions for SMEs to cope with the crisis. The government through a number of specific e-commerce projects has promoted e-commerce penetration to MSMEs development. It was estimated that 47,913 MSMEs benefited from those programs (Ministry of Information, 2018). However, e-commerce adoption by MSMEs remains low based on Indonesia's 2016 Economic Census data. A survey on 104 MSMEs in the greater Jakarta area (Jakarta, Bogor, Depok, Tangerang and Bekasi - JABODETABEK) finds that the barriers to adopting e-commerce are due to business limitations in managing the internal organization (59%), environmental change (56%), technological updates (42%), and the perspective of the SME owner on the business platform (41%) (Anas 2020). Given these results, the performance of MSME business, already affected by COVID-19, is getting worse because of the low capacity to adopt technological information and the internet.

The impact of the coronavirus pandemic has been well documented in terms of the intended consequences, notably unemployment rates and closing of business activities. The common belief is that the unprecedented situation caused by this particular crisis should not discriminate gender. Women, the elderly and children, however, are vulnerable groups in the presence of disaster. Having said that, the nature of work remains significantly gender-specific: women and men tend to cluster in different occupations. In this section, I discuss the gender implications of the pandemic. It is suggested that this health crisis has profoundly affected women's loss of employment, reduced hours of work and pay as well as bringing about increasing pressures in balancing work and family responsibilities. Women are a large majority employed in the accommodations and food service, which have been severely affected, though the manufacturing, construction and warehousing sectors, in which more men are employed than women, have also suffered from the crisis. Notably, agriculture has made growth

from a quarter-to-quarter basis, and the participation of women in this sector is marked as unpaid workers, which makes little contribution to their family's income. The only sector of workforce activity where the participation of women was higher relative to men was among the self-employed or unpaid family workers, where women's participation rate in 2015 was 43%, while men's participation was 21% (Hill, Baird, and Seetahul 2020). In conclusion, women's participation tends to be low across all forms of economic activity, and women who do contribute to the economy tend to be the most vulnerable economic participants in the country.

Women are treated disproportionately in terms of the wage gap, particularly in sectors negatively affected by the COVID-19 crisis. Due to this crisis, women workers are the riskier group than men workers. The McKinsey Global Institute (MGI) has studied the power of parity work between men and women since 2015. MGI has established 15 gender-equality indicators across four categories that is equality in work, essential services and enablers of economic opportunity, legal protection and political voice, and physical security and autonomy. This study showed a strong link between gender equality in society (the three latter categories) and gender equality in work (Madgavkar et al. 2020).

Furthermore, MGI's assessment on gender equality in the COVID-19 situation has been found more uneven worldwide. This analysis is based on the condition of MGI's 15 indicators. It showed that tangible progress toward gender parity had been larger than that of before the crisis. It is estimated that 4.5 per cent of women's employment is at risk in the pandemic globally, compared with 3.8 per cent of men's employment, just given the industries that men and women participate in. In conclusion, this study highlights that good for greater gender equality is also good for society as a whole.

Remarkably, women accounted for 58 per cent of the labour force in the textile and footwear industry (ILO 2020). Considering the economic downturn in the wake of the COVID-19 pandemic, experts have highlighted the need to support Indonesia's women-owned businesses and women employed in this industry. Varied employer responses have included lowering wages, not extending contracts and rostering workers for fewer hours (Fair Wear, 2020). The mass layoffs in the garment, textile and footwear industry perhaps increased the number of women in unpaid care work, whereas women were already burdened by domestic chores three times more than men even before the outbreaks. In late July 2020,

the Ministry of Cooperatives and Small, and Medium Enterprises launched a press release and stated that the pandemic has battered female entrepreneurs, who owned 60 per cent of Indonesia's SMEs. As a result of temporary closures to comply with the government pandemic restrictions, about fifty per cent of SMEs could not run their business and 34 per cent of the respondents intended to permanently close their business (Yunindita 2020).

Nevertheless, the contribution of women-owned SMEs to Indonesia's GDP is quite small (9.1%). This indication tells us that the persistent weaknesses of women entrepreneurs need to be addressed. The constraints of women-owned SMEs include lack of access to financial institutions; lack of technical knowledge in adopting new technology; lack of supply chain management; lack of access to wider markets; lower capacity to absorb the shocks to customer demand, which hampered the development of Indonesia's SMEs. Hence, providing targeted and practical assistance to support women entrepreneurs to manage the severe economic impact of the health crisis in Indonesia is needed toward gender equality in work in the COVID-19 recovery.

Policy Response

In response to the COVID-19 outbreaks, the Indonesian government adopted various containment measures including temporary bans on domestic and international travel, school closures, flexible working time, and other restrictions on public events. As I discussed earlier, this partial lockdown policy affects the business cycle of SMEs. Therefore, as part of the government response to the current crisis, on the fiscal side, the government launched the National Economic Recovery (NER) program on May 11, 2020. The cost of the program is estimated to be approximately US\$ 43 billion per July 2020, which brings the budget deficit to around 6.27% of GDP for the fiscal year 2020.

The NER comprises of tax breaks, capital injections for state-owned enterprises, interest subsidies for micro, small, and medium-sized enterprise (MSMEs), liquidity support for the banking industry, as well as financial assistance for vulnerable households, among others. The latter program takes the highest proportion of the government budget. This program is intended to provide social assistance that prevents vulnerable people

from falling into deep poverty. Chart 5 below is a list of social assistance programs based on the income decile of recipients. It is targeted for more than 50 million poor and vulnerable people affected by the coronavirus pandemic. They can benefit from this program. The budget ceiling of the program reaches US\$ 7.5 billion, with the biggest allocation for cash transfer programs such as the staple food card program, cash transfers for greater Jakarta and the surroundings areas, and the village fund direct cash assistance program.

Table 5.
Social Assistance Programs by Income Decile

		Family Hope Program (PKH)	Groceries Card	Electricity Bill Discount	Cash Social Assistance Non-Jabodetabek	Groceries Assistance Jabodetabek	Cash Transfer Village	Pre-working
In- come Decile	6							
	5			450VA: 24 million HH 900VA: 7.2 million HH		Jakarta: 1.3 million HH Bodetabek: 600.000 HH	11 million HH	5.6 million People
	4				Non-Jabodetabek: 9 million HH			Training: 1 million/month Incentive: IDR 600.000/month Survey(3x):IDR 50.000/month
	3		20 million HH		April-June: IDR 600.000/month July-Dec: IDR 300.000/month	April-June: IDR 600.000/month July-Dec: IDR 300.000/month	April-June: IDR 600.000/month July-Sep: IDR 300.000/month	
	2	10 million Household			Outside of PKH and Groceries Card	Outside of PKH and Groceries Card	Beside the beneficiaries of PKH, Groceries Card, Cash transfer and Pre working card	
	1	Top of Benefit by 25%	IDR 200.000/month	450VA: Free 900VA: 50% discount				
Time period		Monthly-for 12 months	Monthly-for 12 months	(April - December)	9 months (April - December)	9 months (April - December)	9 months (April - December)	April - December
Additional Budget		IDR 8.3 T	IDR 15.5 T	IDR 6.9 T	IDR 32.4 T	IDR 6.8 T	IDR 31.8T	IDR 10 T
Total Budget		IDR 37.4 T	IDR 43.6 T	IDR 6.9 T	IDR 32.4 T	IDR 6.8 T	IDR 31.8T	IDR 20 T

Source: Indonesia Ministry of Finance, 2020

MSME actors who meet the eligible criteria of one of those programs can apply and receive assistance. As instructed by the President, small and medium-level businesses should be included in the list of direct cash assistance program (BLT) recipients and should arrange new loans for MSMEs that are experiencing financial hardships. Moreover, the government has also announced plans to prioritize economic stimulus for affected MSMEs. The Ministry of Cooperatives and Small and Medium Enterprises, as the institution in charge, provides several programs that include subsidized credit interest payment for MSMEs; providing low-cost working capital; loans restructured; cash transfers for productive use; and tax refunds for MSMEs. Working together with the Central Bank (Bank Indonesia) and Financial Services Authority (OJK), the Ministry of Cooperatives and Small and Medium Enterprises will coordinate to establish the mechanisms and detailed budget allocation for loan restructuring, additional new financing, as well as the budget for the addition of an extended social security program for MSMEs.

The official government has been concerned with two major programs for MSMEs, one of which is the MSMEs interest subsidy program. The budget ceiling for this program is US\$ 2.4 billion and targets 12 million MSMEs. MSMEs that are not capable of accessing formal credit from banks or other financial institutions are eligible to acquire additional funds of approximately US\$ 160 for four months. Due to the small absorption of this fund, the government noticed that this budget allocation was quite large and adjusted it for another program. However, this fund has helped 7.8 million MSME actors with a total loan value of US\$ 21 billion. Furthermore, a new initiative to help MSMEs has been launched, namely Productive Presidential Assistance. The program is estimated to cost US\$1.4 billion and targets 9.1 million MSMEs. Another budget allocation for MSMEs is called the Fund Placement Program, which reaches US\$ 5.3 billion. Of that amount, the realization distributed by the Association of State-owned Banks (Himbara) has reached 38%. It also reached more than 620 thousand MSMEs and loans amounted to US\$ 2.3 billion.

Experts' response to the government stimulus package for economic recovery is summarized into two points. First, they agree that the two programs mentioned above are relevant to help MSMEs recover from the crisis. Other programs such as tax incentives are not fit for the current situation, since the size of MSME businesses are already small and might not be eligible to be taxpayers. The whole policy response pays little

attention to women's welfare, except by continuing the existing conditional cash transfer program, the so-called "Family Hope Program - *Program Keluarga Harapan* (PKH)". The recognition of this program as a successful social safety net program in Indonesia has perhaps driven its continuity as a buffer strategy in the time of crisis. However, understanding the risks to women entrepreneurs during a health crisis requires a sophisticated analysis of the recovery process. PKH may just cover a small number of women entrepreneurs. PKH is designed to empower women through children's education and by reducing the prevalence of stunting. This program has nothing to do with boosting women entrepreneurs' productivity or encouraging women to increase their business return.

Women-owned SMEs constituted a majority of businesses during the crisis; they still earned less than men on average and faced uncertainties that led them to close their business either partly or permanently. Regular difficulties in accessing financial services and assets, information and communication technology and business networks made women-led SMEs particularly vulnerable, even in the recovery stage. During the recovery, men also tended to do better than women as male-dominated sectors were prioritized and occupational segregation kept women concentrated at the bottom of the labour market. Given this fact, in the view of a gender-regressive scenario, the policy responses of the government do not reflect some important aspects that promote easing business for women entrepreneurs and women workers. Childcare burdens, attitudinal bias, a slower recovery, or reduced public and private spending make women leave the labour market permanently. Women bore the burden of domestic chores when public childcare and educational facilities were closed. Their roles were not limited to wife and mother, but on some occasions, they had to be a teacher, house cleaner and driver. Accordingly, time allocation for doing their business has reduced significantly because of those additional tasks.

Moreover, the gender gap between men and women entrepreneurs' access to information about special support for businesses, such as low interest loans, deferred payments and tax exemptions, or on how to apply for relief or programs that provide exclusive support to SMEs as a recovery measure, is expected to grow following the COVID-19 crisis. The Economic Research Centre-Indonesian Institute of Sciences has conducted a quick survey on 881 SMEs across Indonesia. This study was carried out in May – July 2020. The survey results found that women were more involved

in micro and small enterprises (63.34%) with a lower level of education and had business experience of less than ten years. This study confirms the aforementioned studies, which highlight that women entrepreneurs are more involved in small-sized businesses and new start-ups. This research also provides evidence that COVID-19 has reduced profit and return on investment. More than 40% of SME actors claimed that their profit was reduced by 75% from the previous month, and 60% of them are women. The increasing raw material (42.57%) cost and reduced product sales are the main problems that need to be swiftly solved (P2E-LIPI 2020). Given the features of women entrepreneurs, their lack of access to credit facilities and technology adoption perhaps neglect them as a targeted group of government aid. As such, women entrepreneurs are more affected by the adverse effects of the COVID-19 outbreak than men entrepreneurs. Women entrepreneurs tend to avoid risk, while men entrepreneurs are risk-takers. It is true that the impact of this health crisis increased profit for businesses related to information and technology, warehouses and health services, which are dominated by businessmen (UNDP 2020).

However, data on how many women entrepreneurs have benefited from those schemes are missing in the monitoring and evaluation of the national task of the economic recovery team. Little information and studies have discussed how women-owned MSMEs have allocated financial aid. Did they use the money to run their business, or did they spend the money to fulfill their family's basic needs? It is arguable that the government might miss aim in the targeting of budget disbursement. Handling the adverse effect of the novel COVID-19 indeed requires a long process of recovery. For those countries, which experienced a prolonged crisis like Indonesia, the recovery process to reach the new normal and a new equilibrium of the economy needs more time.

The feminist economy and the gender and intersectionality perspective seek to place the sustainability of life and solidarity at the center. Thus, the integration of this perspective is necessary and urgent in the design of social measures and economic packages that respond to the crisis. This is also an opportunity to promote sustainable long-term investments for universal and resilient health systems, social protection and care systems, as well as the development of active employment and economic recovery policies, with inclusive growth, social inclusion and environmental sustainability at the core.

On the other hand, experts also said that government stimulus packages are considered insufficient for increasing domestic demand and creating markets for MSME products. The pandemic has weakened the potential demand, reduced domestic consumption and hampered supply chains. It is costly for MSME actors, as they receive working loans to continue production, but have to store their final products in the warehouse, as the market is incapable of buying their products. A survey published by Cyrus Network, which involved 1,230 individuals in 123 villages of all 34 provinces, found that the majority of respondents are satisfied with the government's stimulus such as tax incentives, financial aid for MSMEs and debt restructuring. They also express their agreement to soon reopening retail stores, restaurants, malls, tourism, sports, offices and schools, while the case numbers of infectious people with coronavirus record steeper hike trends.

Health programs may rank second after economic programs, from the view of government policies. "There is no economic recovery without handling the pandemic well" is a famous and viral quote among Indonesia's social media users. Health and economic recovery programs should go hand in hand to cover the underlying effect of the health crisis. Policymakers in developed countries have considered to precaution against the unintended consequences of lockdowns, or as they call it, the "Shadow Pandemic" for children and women (Ravindran and Shah 2020). Mental health issues, violence against women, declining childhood immunization rates, the loss of learning, and loss of social interaction are more likely a consequence of the lockdown of the economy. However, those effects can hardly be measured but indeed have consequences for the quality of human resources in the future.

Concluding Remarks

The novel virus SARS-CoV-2, which the caused coronavirus disease 2019 (2019) pandemic, has undoubtedly attracted many people around the world. The outbreak spread at an unprecedented speed across continents, resulting in a huge number of calamities since the Second World War. The lockdown policy has significantly reduced the risk of COVID-19 in most affected countries. However, the intended and unintended consequences of the lockdown of the economy are also well identified.

Indonesia is the fourth populous country in the world and currently ranks 23rd in terms of the highest number of infectious cases. The government has established several policies and programs in handling the adverse effect of the current health crisis. These actions take into account the necessity to prevent the economy from falling into a recession. In this article, I addressed the impact of COVID-19 and the lockdown of the economy on the development of Indonesia's women entrepreneurs, who are often neglected in the public policy agenda. The risk of SARS-CoV-2 may not discriminate gender, but the current system on community and workplace is gender-biased. Therefore, the gender gap is considerably increasing during the pandemic, particularly in relation to economic activities where women are more dominantly involved in the labour market than men.

The constraints of women-owned MSMEs, which include low-skilled labour to low adoption in technology and innovation, are probably the key factors triggering them to close their business permanently. This is especially the case for those entrepreneurs and workers who rely on income and revenues from the garment, textile, footwear, retail, wholesale, accommodation and restaurant sectors. Notably, to some degree, the government stimulus packages on economic recovery are helpful for continuing the MSME businesses. However, increasing the government budget without considering the increasing spending on consumption is meaningless. MSMEs are still facing the issue of lacking market absorption.

Another weakness missing in government policies is how deeply the current system places fundamental importance on care work in Indonesian communities. During this crisis, the screw is being turned ever tighter on people who carry out most of this care work. Without people having, caring for and educating children, economic growth or other welfare measures would not exist. In other words, there would not be a workforce in the future to continue creating this economy.

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