



Omnibus Law in Central and Regional Areas, a Must



The plan to form an Omnibus Law (OL) is certainly due to consideration of various aspects, including law and economics. From an economic perspective, OL needs are related to one of the main foundations of our economic growth, namely investment. There are 2 things that need to be understood.

First, we often hear that the biggest obstacle to our investment growth is overlapping regulations, both at the central and regional levels.

Admittedly, the Government has been able to fix several investment barriers such as the availability of transportation access (toll road), improvement of dwelling time, and time for obtaining permits, but it still needs improvement on the main problem, namely overlapping

regulations. Therefore simplification of regulations becomes a necessity in order to attract investors.

Second, investment as one of the pillars of our economic development, is still entangled in portfolio investment, which is vulnerable to global economic and political dynamics. If real sector investment (long term) is able to be a determinant of economic development, it is expected that the economic structure of our country will be more stable and stronger, so that short-term solutions through monetary and fiscal instruments can often be avoided such as changes in the benchmark interest rate and / or tax rate.

Therefore, despite the polemic and even the demonstration, the issuance of OL becomes a necessity because it is very strategic in the long-term development corridor.

The thing that needs to be examined is, how OL should still contain a philosophy based on justice and alignments to the people's economy as mandated by the Basic Law and the 1945 Constitution, including those relating to natural resource management and basic needs of the people, so that the principles of independence, resilience and sovereignty still must be maintained.

The issue that has developed to date is that OL only accommodates certain parties (eg employers), while labor aspirations or environmental issues are relatively marginalized. These things must be rebalanced by the Government and the Legislature.

Considering that the implementation of OL must go through a long socio-political process, a joint awareness and responsibility of all stakeholders of this nation is needed, including the executive, legislative and judicial branches.

The hope for the implementation of OL in this economic perspective is the development of real sector investment that will be able to absorb the workforce from various strata of education and competence.

Synergy with infrastructure development that creates a linkage between upstream and downstream industrial centers, will facilitate access to distribution and market penetration

(including on a global scale). This synergy is expected to be able to realize the economic growth target set by the Government.

For the record, OL must also touch on aspects related to disruption of information technology, but once again, it should be noted how we are still able to maintain the nation's identity in the midst of disruption and global infiltration of the information technology sector.

Admittedly, the growth of this sector is quite significant in recent years and is estimated to continue in the coming years.

Source: <https://bogor-kita.com/omnibus-law-di-pusat-dan-daerah-suatu-keniscayaan/>