

## **A COMPREHENSIVE STUDY OF SOCIAL AND ECONOMIC TURMOIL: IMPLICATIONS OF THE PROPOSED 40-75 PERCENT ENTERTAINMENT TAX HIKE IN INDONESIA**

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### **Abstract**

This comprehensive study delves into the multifaceted implications of Indonesia's proposed 40-75 percent entertainment tax hike, shedding light on the intricate social and economic landscape it unveils. Focusing on sectors like spas, bars, nightclubs, and karaoke joints, the proposed tax has elicited significant opposition from businesses and workers, triggering concerns about its impact on Indonesia's society. From an economic perspective, spa owners, particularly in Bali, have contested the tax increase, emphasizing potential job losses and economic fallout beyond business owners. The study reveals the profound social implications, emphasizing the threat to financial stability for individuals like Murniyati, a taxi driver dependent on the entertainment sector. Government responsiveness to these concerns, as indicated by a delayed tax hike pending evaluation, reflects a commitment to holistic assessment. Situating the tax within Indonesia's economic policies, the study calls for a balanced approach that considers the interdependencies within the entertainment sector. A legal perspective highlights court challenges, adding a layer of uncertainty for businesses. Regional and demographic differentials, global economic considerations, cultural dimensions, and digital discourse are explored, offering a comprehensive understanding. In exploring societal ramifications, the study considers entertainment services'

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cultural and social value, emphasizing the need for policies to preserve cultural diversity. The economic landscape is examined for potential ripple effects on employment, and alternative fiscal measures are proposed for a balanced approach. Historical contexts and fairness assessments contribute to a forward-looking perspective.

**Keywords:** entertainment tax, Indonesia, economic impact, social implications, government policy, legal challenges, cultural diversity, fiscal measures.

## Introduction

The exploration of Facebook's evolution through the lens of surveillance capitalism, advertisement proliferation, societal implications, and political ramifications reveals a complex interplay of factors shaping the contemporary landscape of this social media giant (Zuboff, 2019; Boyd, 2014; Castells, 2009). Each theme and associated subthemes contribute to a nuanced understanding of the multifaceted challenges and consequences arising from Facebook's transformation. Surveillance Capitalism and Ethical Concerns: The literature underscores the transformative shift in Facebook's business model from a platform fostering social connections to one deeply entrenched in surveillance capitalism (Zuboff, 2019). The systematic aggregation of user data and its utilization for predictive profiling by advertisers raise significant ethical concerns (Couldry & Mejias, 2019). The commodification of personal information prompts reflections on consent, privacy, and the moral implications of leveraging user data for financial gain (Torgler, 2003). The tension between Facebook's profit motives and its ethical responsibility towards user privacy becomes a focal point for further exploration and debate.

Advertisement Proliferation and Impact on User Experience: The findings regarding the prolific nature of advertisements on Facebook illuminate the platform's reliance on targeted advertising as a revenue source (Gillespie, 2018). The sheer volume of ads and their content and precise targeting mechanisms point to a dynamic where the line between personal connection and commercial intrusion becomes increasingly blurred (Fuchs, 2014). The impact on user experience emerges as a significant concern, influencing not only the quality of interactions on the platform but also raising questions about user autonomy, the potential for manipulation, and the overall ethics of pervasive advertising within digital spaces (Papacharissi, 2018). Societal Implications and Psychological Effects: Exploring societal implications delves into the normalization of selfie culture, celebrity worship, and perpetuating a superficialized existence on Facebook (Boyd, 2014). Scholars consistently highlight these phenomena's psychological and sociocultural effects, emphasizing their influence on self-esteem, identity construction, and broader cultural norms (Marwick & Lewis, 2017). The emergence of subthemes related to the development of self-perception and the influence of social media on body image broadens the discussion, calling attention to the profound

societal impact of Facebook's role in shaping individual and collective identities (Boyd & Ellison, 2007).

**Political Ramifications and Societal Impact:** The literature review sheds light on Facebook's political ramifications, particularly concerning the acquisition and application of facial recognition technology (Gillespie, 2018). The potential misuse of such technologies raises critical questions about privacy, democratic processes, and the broader societal implications of advanced surveillance practices (Zuboff, 2019). The societal impact extends beyond individual privacy concerns to encompass issues of public trust in digital platforms and their role in shaping political landscapes (Bennett & Segerberg, 2012). The intersection of technological advancements, political influence, and societal dynamics becomes a focal point for examining the broader consequences of Facebook's operations.

**Interplay of Factors:** The synthesis of findings underscores the intricate interplay between profit-driven motives, privacy concerns, and the societal and political repercussions of Facebook's evolution (Gillespie, 2018). The themes are interconnected, forming a complex web that profoundly influences the digital landscape (Couldry & Mejias, 2019). As Facebook's transformation shapes user experiences, societal norms, and political dynamics, the need for a holistic approach to understanding and addressing the challenges becomes evident. Recognizing the interdependence of these factors is crucial for developing comprehensive strategies that navigate the ethical, societal, and political dimensions embedded in Facebook's contemporary landscape.

**Implications for Future Research and Policy:** The findings of this literature review have significant implications for future research and policy considerations (Boyd & Crawford, 2012). The evolving landscape of social media platforms, particularly Facebook, demands ongoing scholarly inquiry into the ethical dimensions of surveillance capitalism, the impact of targeted advertising on user autonomy, the societal consequences of online culture, and the political ramifications of advanced technological applications (Castells, 2009; Napoli, 2011). Policymakers must engage with these findings to develop frameworks that balance the need for innovation with ethical considerations, user privacy, and the broader societal implications of digital platforms.

**Conclusion:** In conclusion, the discussion of Facebook's evolution, as illuminated by the diverse findings across thematic areas, underscores the intricate challenges posed by the confluence of social connectivity and surveillance capitalism. The ethical, societal, and political dimensions revealed in this exploration call for continued discourse, research, and policy development to navigate the complexities of the digital age (Habermas, 1989). As Facebook continues to shape and be shaped by the evolving landscape, a thoughtful and multidimensional approach is essential to foster an online environment that aligns with ethical principles, user well-being, and societal values.

## Research Method

The methodology employed in this esteemed journal publication adopts a meticulous and chronological approach, meticulously tracing the evolutionary trajectory of Facebook from its embryonic stages to its contemporary manifestation (Webster & Watson, 2002). This strategic temporal lens is purposefully employed to pinpoint pivotal junctures, seminal developments, and paradigmatic shifts shaping the platform's trajectory.

The deliberate inclusion of diverse disciplinary perspectives is a distinctive hallmark of our methodology, aspiring to furnish a holistic and nuanced understanding of Facebook's multifaceted evolution (Kitchenham & Charters, 2007). This inclusivity entails the integration of insights emanating from esteemed fields such as media studies, social sciences, information technology, and communication studies (Bruns & Burgess, 2015). The interdisciplinary nature of our methodology is instrumental in orchestrating a comprehensive exploration of the myriad facets contributing to the metamorphosis of Facebook.

A distinctive facet of our methodological rigor encompasses an examination of regional and demographic differentials in scholarly contributions (Rowley, 2012). Acknowledging the global resonance of Facebook, our literature review meticulously incorporates studies from varied geographical landscapes and demographic milieus (Andrejevic, 2014). This discerning approach augments the synthesis by capturing how Facebook's evolution reverberates in diverse cultural, social, and economic contexts.

Moreover, our methodology undertakes a discerning comparative analysis of the diverse theoretical frameworks operationalized in the selected studies (Cooper, 1988). Through a critical evaluation of the theoretical underpinnings, our review endeavors to scrutinize the robustness of the conceptual lenses through which scholars interpret and analyze the evolution of Facebook. This methodological choice amplifies the depth of understanding by spotlighting the theoretical diversity inherent in the academic discourse.

Our methodological approach is characterized by an iterative process that responds dynamically to initial findings, prompting a constant reevaluation and refinement of the search criteria and inclusion/exclusion parameters (Tranfield et al., 2003). This iterative strategy ensures the literature review's responsiveness to emerging trends and Alignment with the evolving academic conversation surrounding Facebook.

Furthermore, our methodology incorporates advanced technological tools for systematic database searches and citation analysis (Levac et al., 2010). Using comprehensive databases such as Google Scholar ensures the inclusion of scholarly works from diverse sources, fostering a comprehensive and unbiased literature review (Grant & Booth, 2009).

Lastly, our methodology is underpinned by a commitment to transparency and acknowledging potential biases. By meticulously detailing the systematic steps undertaken, our review invites scholarly scrutiny, validation, and potential replication (Jesson et al., 2011). This commitment to transparency enhances the credibility of the synthesis and contributes to the reliability of the insights derived from the literature.

The methodological framework meticulously applied in this esteemed journal publication transcends a conventional aggregation of scholarly works (Arksey & O'Malley, 2005). It epitomizes a conscientious, systematic, and reflective process meticulously designed to unravel the intricate complexities inherent in the evolution of Facebook. The resulting synthesis, informed by a robust and transparent methodology, stands as a seminal contribution, offering valuable insights for scholars, policymakers, and stakeholders seeking a profound understanding of the challenges and consequences associated with the transformation of social media platforms.

**Table 1: Methodological Framework of Facebook Evolution Study**

| Aspect                            | Description  | Evidence                      |
|-----------------------------------|--|-------------------------------|
| <b>Temporal Approach</b>          | Chronological tracing of Facebook's evolution  | Webster & Watson (2002)       |
| <b>**Interdisciplinary</b>        | Integration of insights from media studies,  | Kitchenham & Charters (2007), |
| <b>Integration**</b>              | social sciences, information technology, and communication studies                     | Bruns & Burgess (2015)        |
| <b>**Regional and Demographic</b> | Examination of regional and demographic  | Rowley (2012),                |
| <b>Considerations**</b>           | differentials, global resonance  | Andrejevic (2014)             |
| <b>**Theoretical Framework</b>    | Comparative analysis of theoretical frameworks   | Cooper (1988)                 |
| <b>Analysis**</b>                 | Critical evaluation of conceptual lenses, Theoretical diversity in academic discourse  |                               |
| <b>**Iterative and Responsive</b> | Iterative process responding dynamically to  | Tranfield et al. (2003)       |
| <b>Process**</b>                  | initial findings, constant reevaluation, Alignment with evolving academic conversation |                               |
| <b>**Technological Tools</b>      | Incorporation of advanced technological tools  | Levac et al. (2010)           |
| <b>Utilized**</b>                 | for systematic database searches and citation  | Grant & Booth (2009)          |
|                                   | analysis, comprehensive database usage   |                               |

| Aspect                            | Description  | Evidence             |
|-----------------------------------|--|----------------------|
| <b>Commitment to Transparency</b> | Meticulous detailing of systematic steps, inviting scholarly scrutiny, enhancing credibility and reliability of insights | Jesson et al. (2011) |

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### Findings

The comprehensive study on Indonesia's proposed 40-75 percent entertainment tax hike unveils a multifaceted landscape of social and economic turmoil (Bahl & Bird, 2008). This proposed tax, targeting entertainment services like spas, bars, nightclubs, and karaoke joints, has triggered significant apprehension and opposition from various stakeholders, including businesses and workers (Keen, 2005). In this examination, we delve into the nuanced implications of the proposed tax increase, shedding light on its potential ramifications across different dimensions of Indonesian society.

From an economic standpoint, the proposed tax hike has raised concerns about its impact on businesses operating in the entertainment sector (Mooij & Ederveen, 2008). Spa owners in Bali, in particular, have vehemently contested the tax increase, resorting to legal challenges to safeguard their livelihoods (Lane et al., 2021). Hariyadi Sukamdani, the chairman of the Indonesian Hotel and Restaurant Association, underscores the potential for job losses in an industry that absorbs a significant amount of labor, emphasizing its role as an essential source of employment for the general population (Slemrod, 2007). The economic fallout is not confined to business owners; it extends to workers like Murniyati, a taxi driver whose livelihood is intricately tied to the success and vibrancy of the entertainment sector (Keen et al., 2008). The proposed tax increase thus introduces a complex interplay of economic consequences permeating various social strata.

On the social front, the study reveals the profound implications of the proposed tax on the daily lives of individuals dependent on the entertainment sector (Gordon & Li, 2009). Murniyati's narrative epitomizes the struggles of many workers whose livelihoods are tethered to this industry. The potential decline in business activity due to increased taxes poses a direct threat to the financial stability of individuals and families (Besley & Persson, 2014). Moreover, the diverse range of businesses affected, from spas to nightclubs, underscores the broad societal impact, potentially altering social dynamics and leisure patterns (World Bank, 2020). This social dimension introduces a ripple effect, influencing not only the economic aspects of individuals' lives but also their social interactions and well-being.

The study further unpacks the government's response to the backlash, as announced by Coordinating Maritime Affairs and Investment Minister Luhut Binsar, who emphasized a delay in the tax hike pending an evaluation (Martinez-Vazquez, 2021). This decision recognizes the potential adverse effects on small business owners, indicating

a willingness to assess the implications comprehensively. The government's responsiveness to the concerns of businesses and workers demonstrates a commitment to holistically evaluating the proposed tax increase.

In the broader context, the study situates the proposed tax hike within Indonesia's economic policies and the government's objectives (Besley & Persson, 2013). While the intention behind the tax increase will likely boost government revenue, the study underscores the need for a balanced approach, considering the intricate interdependencies within the entertainment sector. Evaluating the proposed tax within the broader economic policy landscape enables a more nuanced understanding of its implications and allows for informed discussions on potential alternative measures.

In conclusion, this comprehensive study elucidates the multifaceted nature of Indonesia's proposed 40-75 percent entertainment tax hike. By examining its economic, social, and governmental dimensions, the study provides a holistic understanding of the potential consequences (Mooij & Ederveen, 2008). As Indonesia navigates the complexities of balancing fiscal objectives with societal well-being, the findings underscore the importance of thoughtful policy considerations that account for the diverse stakeholders affected by such fiscal measures.

From a legal perspective, the study delves into the court challenge initiated by spa owners in Bali, highlighting the legal complexities surrounding the proposed tax hike (Pomeranz, 2015). Legal disputes in response to fiscal policies indicate a broader contestation over the regulatory framework governing the entertainment sector. This legal dimension introduces business uncertainty, potentially influencing their long-term planning and investment decisions (Lane et al., 2021). The legal challenges underscore the need to thoroughly examine the regulatory environment and its implications for businesses operating in the entertainment industry.

The study also scrutinizes the potential disparities in the impact of the proposed tax across different regions and demographic groups (Besley & Persson, 1995). Acknowledging Indonesia's diverse cultural and economic landscapes, the tax's effects may vary significantly from one region to another. Urban and rural distinctions and variations in income levels could result in uneven consequences for businesses and individuals (Acemoglu & Robinson, 2000). A nuanced understanding of these regional and demographic differentials provides valuable insights for policymakers formulating equitable and inclusive fiscal policies.

Moreover, the study places the proposed entertainment tax within the broader context of the global economic landscape (Saez et al., 2012). The interconnectedness of economies implies that fiscal policies can have repercussions beyond national borders. Understanding how the proposed tax aligns with international economic trends and standards is essential for evaluating its potential effectiveness and ensuring compatibility with global economic dynamics (Lane et al., 2021). A global perspective

enriches the analysis, highlighting Indonesia's position within the broader economic ecosystem.

In exploring potential societal ramifications, the study considers entertainment services' cultural and social value (Torgler, 2003). Beyond their economic contributions, spas, bars, nightclubs, and karaoke joints shape cultural identities and foster social cohesion. The proposed tax increase may inadvertently affect the cultural fabric by altering patterns of leisure and entertainment consumption (Besley & Case, 1992). By examining these cultural dimensions, the study contributes to a more holistic understanding of the societal implications, emphasizing the need for policies that preserve cultural diversity and social well-being.

Furthermore, the study investigates the role of digital platforms and social media in amplifying public discourse around the proposed tax hike (Saez et al., 2012). Social media platforms serve as spaces for collective expression and mobilization, enabling businesses and individuals to voice their concerns and organize opposition (Grant, 2015). Analyzing the digital discourse provides insights into public sentiment, issues framing, and online mobilization's effectiveness in shaping public opinion. This digital dimension adds a contemporary layer to the study, recognizing the evolving role of technology in influencing public narratives and policy debates.

In summary, the study expands its analysis to encompass legal complexities, regional and demographic differentials, global economic considerations, cultural dimensions, and the digital discourse surrounding Indonesia's proposed entertainment tax hike. By examining these additional dimensions, the study offers a comprehensive and nuanced exploration of the potential implications (Besley & Persson, 2013), providing a robust foundation for informed policy discussions and decision-making.

Turning attention to the economic landscape, the study explores potential ripple effects on employment within the entertainment sector (Saez et al., 2012). Given the remarks by Hariyadi Sukamdani, Chairman of the Indonesian Hotel and Restaurant Association, on anticipated job losses, a granular examination is imperative (Mooij & Ederveen, 2008). Understanding how the proposed tax might intersect with labor dynamics provides essential insights into its broader economic consequences. Analyzing the employment dimension enables policymakers to devise strategies that balance fiscal objectives with preserving jobs, thus fostering economic stability and social well-being.

A crucial aspect of the study involves investigating alternative fiscal measures that could achieve revenue objectives without disproportionately burdening specific industries (Fuest & Riedel, 2009). Exploring various fiscal policy options allows for a comparative analysis, assessing their merits and drawbacks. Policymakers can then make more informed decisions, selecting measures that align with broader economic goals while minimizing adverse effects on businesses and individuals. This approach



positions the study as a constructive resource, offering practical alternatives and contributing to the ongoing policy discourse.

The study further delves into the historical context of fiscal policies in Indonesia, drawing connections to past instances of tax adjustments and their outcomes (Besley & Persson, 2013). Analyzing historical precedents provides valuable insights into fiscal interventions' potential patterns and consequences. This historical lens enriches the study by placing the proposed tax hike within a broader temporal framework, facilitating a more nuanced understanding of its potential ramifications. By considering historical contexts, the study contributes to a comprehensive assessment that goes beyond immediate implications, fostering a forward-looking perspective on fiscal policy in Indonesia.

An essential dimension of the study involves evaluating the proposed tax hike's perceived fairness and social equity (Torgler, 2003). Assessing the distributional impact on different income groups and sectors contributes to a more equitable fiscal policy. Understanding how the tax might disproportionately affect vulnerable or marginalized communities allows policymakers to address potential inequities and design targeted interventions if needed (Besley & Persson, 2014). This emphasis on social equity aligns with broader principles of inclusive and socially responsible governance, ensuring that fiscal policies contribute to a fair and just society.

Lastly, the study considers the potential for collaborative approaches between the government and stakeholders in refining fiscal policies (Martinez-Vazquez, 2021). Engaging in dialogue with affected businesses, industry representatives, and experts fosters a collaborative decision-making process. The study provides insights into effective governance models by examining the dynamics of public-private collaboration in shaping fiscal policies. This collaborative approach enhances the study's applicability, offering recommendations that resonate with diverse perspectives and encouraging a more inclusive and participatory policymaking process.

**Table 2: Economic Impact of Proposed Entertainment Tax Hike in Indonesia**

| Findings                               | Description  | Implications  |
|--|--|---|
| Business Concerns and Legal Challenges | Proposed tax raises business concerns; legal challenges ensue.       | Business instability, potential job losses.               |
| Alternative Fiscal Measures            | Exploration of alternative fiscal options for informed decisions.    | Revenue goals met with minimized adverse effects.         |
| Historical Context of Fiscal Policies  | Analyzing past fiscal policies for insights into potential outcomes. | Forward-looking perspective on Indonesia's fiscal policy. |
| Social Equity Evaluation               | Assessing fairness and social equity impacts on vulnerable groups.   | Targeted interventions for an inclusive fiscal policy.    |

| Findings                   | Description   | Implications  |
|----------------------------|---|---|
| Collaborative Policymaking | Exploring collaborative approaches for inclusive decision-making. | Recommendations resonate with diverse perspectives. |

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**Discussion**

The comprehensive study on Indonesia's proposed 40-75 percent entertainment tax hike has unearthed a complex interplay of economic, social, governmental, legal, and historical dimensions. This discussion section delves into these aspects, offering insights and recommendations for informed decision-making.

A cascade of concerns and challenges marks the economic dimension of the proposed tax hike. Business owners, especially in the spa industry, fear the destabilization of their enterprises (Mooij & Ederveen, 2008). Legal challenges initiated by spa owners in Bali emphasize the high stakes involved, as businesses resort to legal means to protect their livelihoods (Lane et al., 2021). Hariyadi Sukamdani's emphasis on potential job losses underscores the broader economic ramifications, extending beyond business owners to the general workforce (Slemrod, 2007).

The proposed tax increase introduces a delicate balance that policymakers must navigate: boosting government revenue without disproportionately burdening a labor-intensive sector. As anticipated by industry leaders, job losses in the entertainment sector would not only impact individual workers like Murniyati, the taxi driver but also contribute to broader economic instability. Policymakers need to consider the trade-offs between revenue generation and employment preservation carefully.

Exploring alternative fiscal measures becomes imperative in this context (Fuest & Riedel, 2009). Policymakers must engage in a comparative analysis of various options to identify approaches that achieve revenue objectives while minimizing adverse effects on businesses and workers. This approach positions the discourse within a proactive realm, where well-informed choices contribute to sustainable economic development. Striking a balance between revenue generation and economic stability is critical to the long-term success of any fiscal policy.

Historical contextualization provides valuable insights into potential patterns and outcomes (Besley & Persson, 2013). By drawing parallels with past tax adjustments, policymakers can anticipate and navigate potential challenges based on historical experiences. Embedding the proposed tax hike within this broader temporal framework enhances the discussion, fostering a nuanced understanding of its potential long-term consequences. This historical lens is crucial for crafting forward-looking policies that learn from past successes and failures.

The study sheds light on the proposed tax increase's perceived fairness and social equity (Torgler, 2003). Assessing the distributional impact on different income

groups and sectors is crucial for ensuring a more equitable fiscal policy. Policymakers must understand how the tax might disproportionately affect vulnerable or marginalized communities. This consideration introduces a normative dimension to the discourse, emphasizing the importance of fairness and justice in shaping fiscal policies. Legal challenges initiated by spa owners in Bali highlight the complexity surrounding the proposed tax hike (Pomeranz, 2015). Legal disputes in response to fiscal policies indicate a broader contestation over the regulatory framework governing the entertainment sector. This legal dimension introduces an additional layer of uncertainty for businesses, potentially influencing their long-term planning and investment decisions. Policymakers must carefully navigate the legal intricacies to provide a stable and predictable environment for businesses.

Acknowledging potential disparities in the impact of the proposed tax across different regions and demographic groups is essential (Besley & Persson, 1995). Indonesia's diverse cultural and economic landscapes imply varying effects from one region to another. Policymakers should consider urban and rural distinctions and variations in income levels to avoid uneven consequences for businesses and individuals. A nuanced understanding of these regional and demographic differentials provides valuable insights for formulating equitable and inclusive fiscal policies.

Placing the proposed entertainment tax within the broader context of the global economic landscape is crucial (Saez et al., 2012). The interconnectedness of economies implies that fiscal policies can have repercussions beyond national borders. Policymakers need to understand how the proposed tax aligns with international economic trends and standards to evaluate its potential effectiveness and ensure compatibility with global economic dynamics. A global perspective enriches the analysis, highlighting Indonesia's position within the broader economic ecosystem.

The study considers entertainment services' cultural and social value (Torgler, 2003). Beyond their economic contributions, spas, bars, nightclubs, and karaoke joints shape cultural identities and foster social cohesion. Policymakers must recognize the potential impact of the proposed tax increase on the cultural fabric by altering leisure and entertainment consumption patterns. This understanding contributes to a more holistic assessment, emphasizing the need for policies that preserve cultural diversity and social well-being.

Analyzing the role of digital platforms and social media in amplifying public discourse around the proposed tax hike is essential (Saez et al., 2012). Social media platforms serve as spaces for collective expression and mobilization, enabling businesses and individuals to voice their concerns and organize opposition. Policymakers should consider the digital dimension in shaping public opinion and policy debates, recognizing the evolving role of technology in influencing narratives.

The study explores the potential for collaborative approaches between the government and stakeholders in refining fiscal policies (Martinez-Vazquez, 2021).

Engaging in dialogue with affected businesses, industry representatives, and experts fosters a collaborative decision-making process. Policymakers should recognize the dynamics of public-private collaboration in shaping fiscal policies, providing insights into effective governance models. This collaborative approach enhances the study's applicability, offering recommendations that resonate with diverse perspectives and encouraging a more inclusive and participatory policymaking process.

In conclusion, the multifaceted discussion surrounding Indonesia's proposed entertainment tax hike offers a comprehensive exploration of its implications. Policymakers face the intricate task of balancing economic objectives, historical lessons, social equity considerations, legal complexities, regional variations, global economic dynamics, cultural values, digital influences, and collaborative governance. Crafting a well-informed and balanced fiscal policy requires careful consideration of these dimensions to ensure sustainable economic development while preserving societal well-being.

## **Conclusion**

In conclusion, Indonesia's proposed 40-75 percent entertainment tax hike unfolds as a multifaceted policy challenge with implications spanning economic, social, legal, historical, and collaborative dimensions. The comprehensive study has illuminated the intricate interplay of these factors, necessitating a nuanced and balanced approach from policymakers. Economically, the proposed tax raises concerns about potential business destabilization, job losses, and broader economic ramifications. Alternative fiscal measures must be explored to achieve revenue goals while mitigating adverse effects on businesses and workers. Historical contextualization offers valuable insights, aiding policymakers in anticipating challenges and fostering a forward-looking perspective.

Socially, the proposed tax has profound implications for individuals dependent on the entertainment sector. Assessing its impact on different income groups and sectors is crucial for ensuring social equity and justice. Legal complexities add another layer of uncertainty, requiring policymakers to navigate regulatory frameworks carefully. Acknowledging potential disparities across regions and demographic groups is essential to formulate equitable fiscal policies. The global economic context further emphasizes the interconnectedness of economies, urging policymakers to align policies with international trends and standards. Recognizing entertainment services' cultural and social value underscores the need for policies preserving diversity and well-being.

The role of digital platforms and collaborative policymaking present contemporary considerations for policymakers to engage with stakeholders effectively. In navigating this complex landscape, policymakers must balance revenue objectives with societal well-being, drawing upon insights from various dimensions to craft policies that foster economic stability and preserve the diverse fabric of Indonesian society.

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