# MCDONALD'S IN INDONESIA AND ITS EMERGING POLITICAL AND SECURITY RISKS

Fauzan Sameer Achmad<sup>1)\*</sup>, Elyzabeth Bonethe Nasution<sup>2)</sup>

<sup>1)</sup>Student, Faculty of Social & Political Sciences, International Relations Study Program, Universitas Pelita Harapan <sup>2)</sup>Lecturer, Faculty of Social & Political Sciences, International Relations Study Program, Universitas Pelita Harapan

e-mail: fauzansam01@gmail.com1, elyzabeth.nasution@uph.edu2)

#### **ABSTRACT**

McDonald's was embroiled in controversy following the decision of its branch in Israel to donate the company's food products to the Israel Defense Forces (IDF), which has been accused of committing genocide on the people of Palestine. The company was boycotted by many worldwide, including the people of Indonesia which had always voiced their strong support for Palestine. The situation highlights a possible threat to McDonald's as the independence of its individual national branches could result in clashing actions and negative public reception. Moreover, McDonald's must be wary of the malleable governmental statuses and relationships in the countries it operates in, such as Indonesia, in which it originally opened during an extremely authoritarian regime before the country's shift into a democratic system. However, the tides have been changing once again as recent political events have put Indonesia's democracy under the threat of regression. With this newfound situation, McDonald's must be able to find the proper solutions to address its emerging political and security risks.

Keywords: McDonald's, Indonesia, Democracy, Multinational Corporation (MNC), Risks

#### 1. Introduction

Indonesia's President Jokowi Widodo's second and final term is coming to an end with the next general election scheduled to be held on 14 February 2024. President Widodo's time as president saw the country receiving a record US\$43 billion in foreign investment in 2022, denoting an increase of 44% from 2021 (Maricourt, 2023). This came along with a move by the government to attract foreign investments and companies into Indonesia with the promise of its resources and large consumer market. Indonesia, as a developing country hosting a relatively stable democratic government, is a promising source of profit. The country has seen a rising middle-class with simultaneously strengthening purchasing power, and this middle-class consumption has served as the country's backbone throughout most of its economic rise, preventing the country's economy from falling into full disrepair during global crisis events like the pandemic. The country hosts a large middle-class population at about 52

million Indonesians.

The World Bank defines a person in the middle-class as someone who uses between US\$7.75 to US\$38 in daily spending. Although 52 million still does not hold a majority to the country's over 275.5 millionlarge population, it represents a decent proportion and a massive one when compared to the populations of other countries. The amount of expenditure used by the much wealthier middle-class people of a developed country could still be dwarfed by the middleclass of a developing country whose population surpasses it by many digits. Meanwhile, other developing countries don't hold weight to Indonesia's middle-class of 52 million as they might not even have as much of a population, like Brunei Darussalam or Malaysia. Essentially, Indonesia's middleclass should not be underestimated by foreign investors and companies. If a business or company were to be able to hook the country's middle-class successfully, they could be able to profit in exorbitant amounts, much like with the case of the American

multinational fast food chain corporation, McDonald's.

McDonald's has been successful in making Indonesia's middle-class part of their consumer base. Along with its affordable prices, globalization and the company's image as a representation of western food and culture have made it very appealing to Indonesians. Additionally, the high rate of urbanization has led to a change in dietary patterns from the traditional rice-based diet for more wheat-based products like bread, red meat, and poultry, all of which is found in McDonald's' fast food products (Colozza, 2019). The middle-class is also drawn towards McDonald's availability in many locations and the ease of transportation using online delivery services.

McDonald's entered Indonesia with the opening of its first branch in the Sarinah area of Jakarta on the 23rd of February 1991. Following a successful launch, it then opened its first branch outside of Java at Medan, on the island of Sumatra, on the 23rd of September 1994. The rights over the restaurant franchise were first handed over to PT Ramako Gerbangmas before turning into a shared company known as PT Bina Nusa Rama (PT BNR) in 1994, in which 90% of the franchise business was held by the McDonald's International Development Services, and PT BNR controlled the remaining 10%. As McDonald's was an overwhelmingly strong multinational corporation at the time, and Indonesian businesses were struggling in a failing economy, the move was inevitable and signed yet another triumph for wealthy multinational corporations over developing countries. However, McDonald's' success story in Indonesia did not end there, and the franchise opened another 70 branches from 1991 to 2001. By 2003, it had a total of 108 branches. Another fallout ensued in 2009 after McDonald's abruptly disconnected itself from PT BNR and signed with a new partner, PT Rekso Nasional Food (RNF). This caused PT BNR to sue McDonald's at the Judicial Court of South Jakarta, accusing McDonald's

of engaging in alleged illegal activities, agreements, and trades throughout their mutual agreement. The legal battle did not result in any implications for McDonald's despite Indonesia having transitioned into a democratic government. McDonald's continued to receive enormous annual profits and it seemed that a foreign multinational corporation like McDonald's was untouched by both law and public opinion. Nearly two decades later, this conception was proven wrong following the Indonesian public's boycott of McDonald's for aiding Israel in the 2023 Israel and Hamas war.

### 2. Literature Review

McDonald's' strategy of working with local business partners acts as a double-edged sword. Although the strategy has worked successfully, with the company flourishing in countries of all political and economic systems, the impact of one branch's actions has led to a very costly boycott. The boycott has made a dent in the company's profits and reception, primarily in Asia where most of the world's Islamic population resides and governmental and social support for Palestine is much more common (Nikkei Asia, 2024).

In 2016, the company announced its decision to sell many of its fully corporateowned stores in Asia. By sharing ownership with local business partners, McDonald's predicts it will be able to open a new 1,500 stores in China, Hong Kong, and South Korea alone. This franchise model is expected to account for 95% of McDonald's business management. The benefits for this strategy include a faster pace of launching locations and the reduction of McDonald's capital requirements in individual countries and bureaucracies. By working together with national businesses, the company is also able to profit from incorporating local foods and flavors into its menu in a process combining business and culture known as "fast food diplomacy" (Herminingrum, 2020). These localized menus have achieved both cultural and economic interests simultaneously.

The franchise model is not without risk as scandals caused by local branches have plagued the company even before the 2023 Israel and Hamas war. A scandal broke out in China in 2014 where McDonald's chicken supplier was found to be unhygienic in its production. The scandal made the company receive a negative earnings impact of \$0.23 per diluted share that same year (US Securities and Exchange Commission, 2015).

Hence, the franchise system of McDonald's offers both social and economic drawbacks and benefits. The dilemma of the franchise system mirrors that of governmental decentralization in which the freedom to enact action leads to further complexity. Yet, the franchise system provides multinational corporations with the local knowledge of entrepreneurs that is greatly valuable (Wang et al., 2006).

#### 3. Research Method

Qualitative research was mainly used for this study to first analyze the impact of McDonald's recent controversy and the risks imposed onto it by Indonesia's regressing democracy. Qualitative research is essential to provide a conclusion as to the political and security risks of McDonald's. The social factor of Indonesia is also taken into account with the costly impact of the public's boycott of McDonald's (Al Jazeera, 2024) and the differing attitudes and effects of the three presidential candidates.

As McDonald's has enjoyed relative business stability throughout its time in Indonesia, an exploratory research method is also utilized to investigate the existence of political and security risks of McDonald's which is otherwise poorly understood. Lastly, by adopting a qualitative research method through an exploratory lens, it is possible to gain knowledge and insight into the volatile relationship between business, government, and society.

#### 4. Results and Discussion

## 4.1. McDonald's Israel Controversy

McDonald's was embroiled in global

controversy after its Israeli branch donated the brand's food products to Israeli troops fighting Hamas. McDonald's was accused of supporting Israel as a colonial state in its genocidal war against the Palestinian people of Gaza, killing over 25,000 civilians (UN News, 2024) in a land with just 2 million inhabitants. The response to this action was swift in Indonesia, as many consumers immediately boycotted the company, and fuel was added to the fire after Indonesia's largest clerical body, the Indonesian Ulema Council (MUI), decreed a fatwa stating that it was haram or religiously forbidden to directly or indirectly support Israel's violence on Palestine. McDonald's Indonesian branches have seen a noticeable drop in customers (Nikkei Asia, 2024), forcing the company to issue a statement saying that it "hope(d) for a swift achievement of peace so that there will more casualties". Additionally, McDonald's Indonesia decided to donate IDR 1.5 billion to Palestine to appease the backlash. McDonald's' consumer As affordable prices are catered towards a target audience of primarily lower to middle-class consumers, and Indonesia's prime consumer being that of the middle-class, McDonald's feels that it needs to clean its image and reputation. The boycott demonstrates that large multinational corporations are still susceptible to public and social forces.

The focus on McDonald's has not come at a worse time than during the peak of the Indonesian general election campaign season. As all eyes and ears are on the Israel and Hamas war and the resulting boycotts, any reference by aspiring candidates to Gaza or to Indonesia's Muslim brotherhood with Palestine would only increase the public opposition against McDonald's.

An election won by Anies Baswedan, a known Islamist populist (European Center for Populism Studies, 2023), could indirectly bring an unforeseen wave of attention to the McDonald's controversy and critically damage their reputation. Anies's status as an Islamist populist was influential during the 2016 Basuki Tjahaya Purnama blasphemy

case, and he wields a large authority among Muslim conservatives. Anies met with Rizieq Shihab, the leader of the FPI, Indonesia's hardline Islamist organization. This was done in hopes of obtaining the support of the large Islamist group. The action was in stark contrast to the government's decision to outlaw the FPI in 2020. Anies's actions have signaled support and possible representation of Islamist populists in the case Anies wins. Although it is unlikely that Anies' presidency would outlaw McDonald's over one incident, McDonald's would pressure maintaining an appealing image for a growing Muslim middle-class consumer base.

In the second case where Prabowo Subianto and Gibran Rakabuming Raka win the election, it is unlikely that much would change for McDonald's other than the appeasement of consumers. Prabowo takes on a pro-Palestine stance, having planned to send a national medic boat to Gaza, but the request had not been approved by Egypt to be let through its waters (The Jakarta Post, 2023). Additionally, he oversaw the acceptance of 22 Palestinian students into the University of Defence, essentially training them militarily (Ministry of Defense of the Republic of Indonesia, 2023). Despite the strong Palestinian support, it is unlikely that his presidency would tie into McDonald's' incident, and the primary objective of his campaign with the president's son is set on continuing President Jokowi's goals, which long benefitted certain companies like McDonald's.

Similarly, a win for Ganjar Pranowo and Mohammad Mahfud Mahmodin or Mahfud MD is unlikely to change much, as Ganjar also aims to continue the programs and overall business regulations of President Widodo's administration. Ganjar had previously voiced strong support and action for Palestine during his time as the governor of Central Java, by refusing to allow Israel's team to play in the U-20 World Cup in Indonesia, eventually leading to the event itself being canceled and moved to Argentina (CNN Indonesia, 2023).

# 4.2. McDonald's & Indonesian Democracy

Although much has been discussed regarding McDonald's' one instance of betraying the public's support, which would put it at risk in the society category, the company's biggest risk lies in Indonesia's continuously evolving political theatre. This could be determined by ruling out the other categories one by one. Firstly, Indonesian society has remained at a standstill for some time and is one with an improvement after the country's many inter-ethnic conflicts and myriad of separatist movements that plagued Indonesia from the late 1900s to the early 2000s. Both private sector and social capital conditions are improving (Rahman, 2015). The Indonesian food private sector is booming, with the likes of the Indofood group expanding to Africa and the Americas. It is now common to find the Indonesian product Indomie worldwide. Furthermore, although social tension and human security issues are present in Papua, it would not threaten McDonald's unless it ramps up into a situation where countries and the international community accuses McDonald's and other multinational corporations operating in Indonesia of indirectly financing the killings of Papuan civilians through government tax revenue. Thirdly, youth dissatisfaction does not pose a direct threat to McDonald's, with the company instead providing working opportunities to many Indonesian youths in need of employment.

Security is also unlikely to impact McDonald's severely, as it requires a dramatic escalation of national and global unrest to start affecting McDonald's. Indonesia has a history of complying with international law when it comes to its disputes, such as with the case of the Sipadan and Ligitan islands dispute which ended with the International Court of Justice ruling on Malaysia's side. Indonesia accepted the ruling, which shows that the country does not act in a hostile and anarchic manner and refutes the possibility of unexpected

confrontations and changes common in undemocratic countries. As recent as 2022, Indonesia concluded an agreement with Vietnam to finalize their respective EEZ boundaries in the South China Sea following 12 years of negotiation (The Diplomat, 2022). Indonesia's frequent natural disasters and rapid changes by globalization wouldn't damage McDonald's severely either. The base of McDonald's services and production in Indonesia is in Jakarta, which is located in a relatively safe location from sudden largeimpact natural disasters like tsunamis and mega-earthquakes, although it is important to note that the city is sinking rapidly (Bloomberg, 2023).

Finally, Indonesia's economy is rebounding successfully after the pandemic and the country's debt is rather low compared to other developing and developed countries (International Monetary Fund, 2022). As of September 2023, Indonesia's governmental debt accounted for 38.1% of the country's nominal gross domestic product (GDP). The country's debt has fallen from a peak of 41.6% during the height of the global pandemic in April 2021, which shows good government monetary management and economic growth. The only possible economic issue lies in Indonesia's extremely weak and volatile currency which greatly limits the profits of McDonald's. The Indonesian rupiah has depreciated by more than 50% against the US dollar between July 2011 and March 2020 and the trend has not stopped (Blanchard et al, 2020). According to Forbes, the Indonesian rupiah ranks sixth of the world's weakest currencies, with 1 rupiah buying only 0.000064 dollar or 1 USD equating to 15.655,60 Indonesian rupiah. The be stunted company could also Indonesia's weak organization system, especially after the regionalization process that allowed regions and not just Jakarta to monitor and impose their own rules and demands. McDonald's just opened their first branch in Aceh earlier this year, possibly due province's special extremely demanding social, political, and financial

rules set by Sharia law.

McDonald's has been enjoying Indonesia's democracy ever since the post-Suharto reformation era began in 1998, and it has ushered in a sense of lawfulness and stability. However, Indonesia's democracy is indicating signs of a decline. McDonald's entered Indonesia during a time in which the country was governed by an extremely authoritarian government controlled by the Suharto regime and its cronies, which is unfavorable for most foreign companies due to the instability of authoritarian countries economically, socially, and politically. McDonald's' Indonesian consumer base kept fluctuating throughout the late 1900s with the occurrence of the 1998 Asian financial crisis and the downfall of the Suharto government, both events happening consecutively and bringing a scale of instability that was unprecedented. Yet McDonald's was able to survive these events and enjoyed Indonesia's newfound stable democracy. The country's democracy took a significant hit during President Widodo's presidency as indicators such as political culture, pluralism, the function of the government, and most significantly the country's civil liberties, are heading on a downward slope. Indonesia was placed 73rd among 179 nations in the annual V-Dem Institute Democracy Report in 2021. The Report of Democracy Index by The Economist Intelligence Unit of the same year gives Indonesia a score of 6.3, the lowest in 14 years of Indonesia's democracy. These reports categorize Indonesia as going from an electoral democracy into a flawed democracy and indicate that it is still prone to political fluctuation and threats of autocracy. Indeed, these threats have appeared and could threaten or fully dismantle Indonesia's democratic core.

Signs of democratic decline began with the government's decision to repress the society's voice through sanctions, legal charges, and dismantling public protests. A notable case was the government's response to the public protest against the Omnibus Law in 2020. The protest began peacefully

but quickly devolved into chaos as police brutality ensued in which students were violently restrained by the police and a video showing the policy spraying tear gas to an ambulance went viral. Instances of police brutality have spiked in recent years, with the Comission for Missing Persons and Victims of Violence (KontraS) receiving over 1,500 complaints of police brutality during the Omnibus Law protests alone, and the Alliance on Independent Journalists (AJI) and the Legal Aid Institute of the Press (LBH Pers) reports that journalists are often targeted and attacked by the police in protests and public demonstrations over fears of being recorded. There has also been a rise in defamation cases against people criticizing public officials and the government (The Conversation, 2024). Cases like these prevent people from exercising their freedom of speech and classify necessary criticism as hate. It is a very slippery slope where the words of the law are used in bad faith to repress criticism and opposition before the law itself is slowly changed to silence. Any country shifting its political ideology or system is bound to affect its economy, and foreign companies must be aware that Indonesia is under threat. McDonald's must take into consideration its relationship with the government.

Further changes to Indonesia's democracy have occurred throughout the current national general election campaign. The Constitutional Court of Indonesia released a ruling on October 2023 on the eligibility of Gibran Rakabuming Raka, to run as a vice-president candidate. This move unforeseen was as the Indonesian constitution was essentially bent to allow the president's son to surpass the national age regulation. Instances like these conclude that the Jokowi administration and the candidates interested in continuing its legacy are willing to sacrifice and leave behind social and political stability for economic development. It highly mirrors the strategy used by the Suharto regime, which made it susceptible to sudden global changes and public revolution (European Center for Populism Studies, 2023). If the Widodo government or its future allying presidencies were to suddenly fall, foreign businesses would be encouraged to either adapt to drastic changes or to end business entirely.

Government infighting or dispositions are not the only political and security risk that threatens McDonald's as changes in foreign investment management through nationalization and expropriation are equally destructive. Though McDonald's is currently managed by the Rekso Nasional company (RNF) since 2009, Food previously McDonald's had seized management shares of 90% in 1994, leaving its former Indonesian partner with just 10%. If this were to happen again today and the public and government were to catch on, a controversy could ensue similar to that of the Freeport Mine and business in Papua. The Freeport Mine was brought to public attention once it was learned that the business diverted most of its profits to its US company Freeport-McMoRan, and with the Indonesian government and society enjoying only a little of it despite the mine being on the country's territorial grounds. As a result, government mandated a requirement for all foreign mining companies to give 51% of their shares to the Indonesian government. Although Freeport is a mining business and McDonald's is a food franchise, Indonesian society and government puts heavy focus and scrutiny on how much profit the country itself earns from foreign companies investing in it. McDonald's Indonesia must be growing in tandem with the Indonesian society and economy rather than just by itself.

If McDonald's were to be expropriated by the Indonesian government, it would be a big loss to be removed from a developing country with a populous middle-class. However, a nationalized and fully Indonesian McDonald's does not guarantee a win for the government either as history has shown. Back when McDonald's broke ties with its former business partner PT Bina

Nusa Rama (BNR), PT BNR decided to seize the remaining McDonald's branches under its wing into a new restaurant business known as Toni Jack's Indonesia. However, Toni Jack did not survive for long due to a lack of service quality, and the business was eventually closed. Moreover, it indicates that the McDonald's name and international management carries weight of its own and is essential to business.

### 5. Conclusion

McDonald's as a food franchise company must pay attention to its reputation and relationship with the Indonesian society and government. Knowing that middle-class Indonesians serve as the backbone of not just its consumer base but the entire Indonesian economy, McDonald's must maintain a clean and friendly image towards them. However, McDonald's' business strategy under the franchise system, which allows it to be held by national businesses and companies makes it hard to distance the actions of foreign McDonald's branches from McDonald's Indonesia in particular. The actions of McDonald's Israel impacted consumers in Indonesia and demonstrated the volatility of name branding and association. Moreover, with Indonesia's declining democracy and government relationships, focus on McDonald's must make sure its profits be seen locally and that it does not make any enemies in the Indonesian society or government.

#### **REFERENCES**

- Bachtiar, H. (2023). Indonesian Islamist populism and Anies Baswedan. *Populism & Politics* (*P&P*). European Center for Populism Studies (ECPS). doi: <a href="https://doi.org/10.55271/pp0025">https://doi.org/10.55271/pp0025</a>
- CNN Indonesia. (2023, 30 March). Respons Pertama Ganjar Indonesia Batal Gelar Piala Dunia: Ya, Kecewa. *CNN Indonesia*. Retrieved from <a href="https://www.cnnindonesia.com/nasional/20230330121525-20-931248/respons-pertama-ganjar-indonesia-batal-gelar-piala-dunia-ya-kecewa">https://www.cnnindonesia.com/nasional/20230330121525-20-931248/respons-pertama-ganjar-indonesia-batal-gelar-piala-dunia-ya-kecewa</a>
- Colozza, D. (2019). Urbanisation, dietary change and traditional food practices in Indonesia: A longitudinal analysis. *Journal of Social Science & Medicine 233*. doi: http://dx.doi.org/10.106/j.socscimed.2019.06.007
- Fox, J. (2022). How American Fast-Food Chains Have Succeeded in Indonesia. *ASEAN Briefing*. Retrieved from <a href="https://www.aseanbriefing.com/news/how-american-fast-food-chains-have-succeeded-in-indonesia/">https://www.aseanbriefing.com/news/how-american-fast-food-chains-have-succeeded-in-indonesia/</a>
- Habibie Center. (2021). *The Situation of Declining Indonesian Democracy in 2021*. Centre for Politics, Indonesian Institute of Sciences (LIPI). Retrieved from <a href="https://habibiecenter.or.id/img/publication/825aedece8d3ddbb46b5a4efb69dba59.pdf">https://habibiecenter.or.id/img/publication/825aedece8d3ddbb46b5a4efb69dba59.pdf</a>
- Herminingrum, S. (2020) A Cultural Dimension of American-Indonesian "Fast Food Diplomacy". *Humaniora, Vol. 32, No 1,* 1-9. Retrieved from <a href="https://www.researchgate.net/publication/338953984\_A\_Cultural\_Dimension\_of\_American-Indonesian\_Fast\_Food\_Diplomacy">https://www.researchgate.net/publication/338953984\_A\_Cultural\_Dimension\_of\_American-Indonesian\_Fast\_Food\_Diplomacy</a>
- International Monetary Fund. (2022). *Indonesia: 2022 Article IV Consultation-Press Release*. Washington, D.C., USA: International Monetary Fund. Retrieved from <a href="https://www.imf.org/en/Publications/CR/Issues/2022/03/22/Indonesia-2022-Article-IV-Consultation-Press-Release-Staff-Report-Staff-Statement-and-515612">https://www.imf.org/en/Publications/CR/Issues/2022/03/22/Indonesia-2022-Article-IV-Consultation-Press-Release-Staff-Report-Staff-Statement-and-515612</a>
- Kementerian Pertahanan Republik Indonesia. (2023, 8 November). Menhan Prabowo Terima 22 Mahasiswa Palestina yang akan Kuliah dengan Beasiswa di UNHAN RI. Retrieved from <a href="https://www.kemhan.go.id/2023/11/08/menhan-prabowo-terima-22-mahasiswa-palestina-yang-akan-kuliah-dengan-beasiswa-di-unhan-ri.html">https://www.kemhan.go.id/2023/11/08/menhan-prabowo-terima-22-mahasiswa-palestina-yang-akan-kuliah-dengan-beasiswa-di-unhan-ri.html</a>
- Lee, S. T. T. & Sihombing, G. (2023, December 6). The World's Fastest-Sinking Megacity Has One Last Chance to Save Itsel. *Bloomberg*. Retrieved from <a href="https://www.bloomberg.com/features/2023-jakarta-sinking-salim/">https://www.bloomberg.com/features/2023-jakarta-sinking-salim/</a>
- Llewellyn, A. (2023). Indonesians boycott McDonald's, Starbucks over support for Israel. Retrieved from <a href="https://www.aljazeera.com/news/2023/11/14/indonesians-boycott-mcdonalds-starbucks-over-support-for-israel">https://www.aljazeera.com/news/2023/11/14/indonesians-boycott-mcdonalds-starbucks-over-support-for-israel</a>

- Llewellyn, A. (2024, March 20). In Indonesia and Malaysia, boycotts hammer McDonald's, Starbucks. *Al Jazeera*. Retrieved from <a href="https://www.aljazeera.com/economy/2024/3/20/in-indonesia-and-malaysia-boycotts-hit-mcdonalds-starbucks">https://www.aljazeera.com/economy/2024/3/20/in-indonesia-and-malaysia-boycotts-hit-mcdonalds-starbucks</a>
- Mann, Tim. (2024, January 9). Indonesia is one of the world's largest democracies, but it's weaponizing defamation laws to smother dissent. *The Conversation*. Retrieved from <a href="https://theconversation.com/indonesia-is-one-of-the-worlds-largest-democracies-but-its-weaponising-defamation-laws-to-smother-dissent-220651">https://theconversation.com/indonesia-is-one-of-the-worlds-largest-democracies-but-its-weaponising-defamation-laws-to-smother-dissent-220651</a>
- Maricourt, F. de. (2023, October 11). Indonesia's golden pathway toward sustainable growth. *The Jakarta Post*. Retrieved from <a href="https://www.thejakartapost.com/opinion/2023/10/11/indonesias-golden-pathway-toward-sustainable-growth.html">https://www.thejakartapost.com/opinion/2023/10/11/indonesias-golden-pathway-toward-sustainable-growth.html</a>.
- Medina, A. F. (2023). Indonesia's Breakthrough Year for Foreign Investment in 2022. *ASEAN Briefing*. Retrieved from <a href="https://www.aseanbriefing.com/news/indonesias-breakthrough-year-for-foreign-investment-in-2022/">https://www.aseanbriefing.com/news/indonesias-breakthrough-year-for-foreign-investment-in-2022/</a>
- Oceani, D. N. (2023). How Democratic Are We in Indonesia? Retrieved from <a href="https://infid.org/how-democratic-are-we-in-indonesia/">https://infid.org/how-democratic-are-we-in-indonesia/</a>
- Reuters. (2023, October 25). Policy pledges of Indonesia's presidential candidates. *Reuters*. Retrieved from <a href="https://www.reuters.com/world/asia-pacific/policy-pledges-indonesias-presidential-candidates-2023-10-20/">https://www.reuters.com/world/asia-pacific/policy-pledges-indonesias-presidential-candidates-2023-10-20/</a>
- Shibata, N., Damayanti, I., & Goh, N. (2024, March 7). Indonesia, Malaysia consumer boycotts hit McDonald's, Starbucks and others. *Nikkei Asia*. Retrieved from <a href="https://asia.nikkei.com/Business/Business-trends/Indonesia-Malaysia-consumer-boycotts-hit-McDonald-s-Starbucks-and-others">https://asia.nikkei.com/Business/Business-trends/Indonesia-Malaysia-consumer-boycotts-hit-McDonald-s-Starbucks-and-others</a>
- The Jakarta Post (2023, December 14). Indonesia awaits Egyptian clearance to dispatch hospital ship to Gaza. *The Jakarta Post*. Retrieved from <a href="https://www.thejakartapost.com/indonesia/2023/12/14/indonesia-awaits-egyptian-clearance-to-dispatch-hospital-ship-to-gaza.html">https://www.thejakartapost.com/indonesia/2023/12/14/indonesia-awaits-egyptian-clearance-to-dispatch-hospital-ship-to-gaza.html</a>
- Thorbecke, W. (2020). The weak rupiah: catching the tailwinds and avoiding the shoals. *Journal of Social Economic Development*, 23 (Suppl 3), 521-539 (2021). doi: <a href="https://doi.org/10.007/s40847-020-00111-3">https://doi.org/10.007/s40847-020-00111-3</a>
- Rahman, L. (2015). Summary of Indonesia's Private Sector Development Assessment. ADB Papers on Indonesia. Retrieved from <a href="https://www.adb.org/publications/summary-indonesias-private-sector-development-assessment">https://www.adb.org/publications/summary-indonesias-private-sector-development-assessment</a>
- Strangio, S. (2022, December 23). After 12 Years, Indonesia and Vietnam Agree on EEZ Boundaries. *The Diplomat*. Retrieved from <a href="https://thediplomat.com/2022/12/after-12-years-indonesia-and-vietnam-agree-on-eez-boundaries/">https://thediplomat.com/2022/12/after-12-years-indonesia-and-vietnam-agree-on-eez-boundaries/</a>

- United States Securities and Exchange Commission. (2015). *McDonald's Corporation*. Washington, DC, USA: United Staets Securities and Exchange Commission. Retrieved from <a href="https://www.sec.gov/Archives/edgar/data/63908/000006390816000103/mcd-12312015x10k.htm">https://www.sec.gov/Archives/edgar/data/63908/000006390816000103/mcd-12312015x10k.htm</a>
- V-Dem Institute. (2021). *Autocratization Turns Viral*. Gothenburg, Sweden: V-Dem Institute at the University of Gothenburg. Retrieved from <a href="https://v-dem.net/documents/12/dr\_2021.pdf">https://v-dem.net/documents/12/dr\_2021.pdf</a>
- Wang, et al. (2006). McDonald's Democracy---A Cultural Perspective. US-China Education Trust (USCET). 2006 ASN Conference: Bridging the Sino-American Divide. Retrieved from <a href="https://uscet.org/wp-content/uploads/2020/10/mcdonalds\_democracy\_-a cultural perspective by wang qing-jiang\_zhang yi-jun.pdf">https://uscet.org/wp-content/uploads/2020/10/mcdonalds\_democracy\_-a cultural perspective by wang qing-jiang\_zhang yi-jun.pdf</a>