

Indonesia: Capital city crowdfunding idea shows government in financial panic: Observer

Friday 12 August 2022, by [PRIMADHYTA Safyra](#) (Date first published: 27 March 2022).

Jakarta — Political observer Hendri Satrio from the KedaiKOPI survey institute has criticised the plan to fund the construction of the new capital city (IKN) Nusantara in East Kalimantan by involving the public like a crowdfunding campaign.

According to Satrio, the move to fund the capital using a Public-Private-People-Participation (PPPP/4P) scheme as promoted by Nusantara capital city authority head Bambang Susantono is a mistake right from the start. This is because the public is already involved in funding various government projects through tax payments.

Because of this, he believes that the plan simply shows the fact that the government is currently at a loss about how to source funds for the construction of the new capital city.

“This does indeed show that there isn’t any money for the IKN. If they’re asking the ordinary people for money again then they’re already in a panic. The people have already contributed jointly, how, from taxes”, he said during a Total Politics media centre podcast on Sunday March 27.

On the other hand, Satrio also criticised the government’s position of still not being open with the public about the source of funds for the new capital, including how much money the government already has for the project.

“Up until now, what’s been talked about is investor funds from the private sector, others want to evaluate which state assets can be sold off, this means there is no [real funding] plan”, he said.

“Right now the government must be accountable. As of today [revealing] how much the government [actually] has for the IKN, this has never been explained, right”, he added.

Because of this, he believes the plan to move the capital city to East Kalimantan is nothing more than egoism on the part of the government’s which will create a ‘massive inheritance’ for the next government.

“It’s like the government’s arrogance, the arrogance of those in power, basically saying, I want to move [the capital]. Where’s the money coming from, yeah well, we’ll worry about that later, now after its discovered there isn’t any, yeah, help us out, contribute”, he said.

Earlier, Bambang Susantono declared that they are targeting various payment schemes for the new capital, one of which is by involving the public like crowdfunding.

Susantono claimed they want to involve all parties in paying for the new capital, from the government and the private sector through to the public or PPPP/4P.

The former Deputy Minister of Transport during the administration of president Susilo Bambang Yudhoyono (SBY) believes that a method of collecting funds which involves the public can create the involvement of people and the marketing can also be done online through social media.

“Right now the model can be crowdfunding, for example if you want to build a park, then okay, we’ll put that on social media for example, there’ll be public participation, that’s possible, we will explore this model,” he said in an exclusive interview with CNN Indonesia on Friday March 11.

Safyra Primadhyta

[Click here](#) to subscribe to ESSF newsletters in English and/or French.

P.S.

CNN Indonesia

<https://www.cnnindonesia.com/nasional/20220327191852-20-776738/pengamat-soal-rakyat-patungan-ikn-tanda-enggak-ada-uangnya>