

percent. This issue has a further impact on the decline in investment, social problems such as rising unemployment. It is of course not easy for every country to take policies in overcoming the health crisis and economic recovery policies at the same time. Developing countries, for example, will be faced with a number of challenges such as declining trade performance, health infrastructure that requires great support in responding to the COVID-19 case, decreasing capital flows and even increasing debt. The problems do not stop here, the crisis that occurred was also marked by rising unemployment and declining business income. While the economic problems that emerged during the current Pandemic were caused by the lockdown policies and restrictions on activities carried out by several countries, this turned out to have a major impact on the decline in economic activity (Darmastuti et al., 2021).

This kind of condition that afflicts Indonesia and several other countries is predicted to be due to the pandemic, which has not yet ended. Due to the pandemic, the government must issue policies to deal with Covid-19 that have a direct impact on economic activity, such as closing schools and markets, large-scale social restrictions, and other policies that result in lower levels of consumption and investment. This condition is also felt by various countries in the world, such as in the United States, Germany, Italy, France, and others (Sholahudin, 2021). The current economic problems are reminiscent of the global crisis that occurred in 2009. Although the causes of this crisis were different, at that time the country was also faced with the challenge of taking several policy steps in dealing with the economic problems that occurred. As we know that the crisis at that time occurred because of the banking crisis caused by the failure to pay the mortgage on the bank (Darmastuti et al., 2021). The definition of a recession is a period of temporary economic downturn in which trade and industrial activity decrease, generally characterized by a decline in GDP for two consecutive quarters. The current Covid-19 pandemic can be a trigger for a decline in business activity in all fields (Sunarmin & Junaidi, 2021).

The recession that occurs will also affect the efforts of business actors. Entrepreneurs inevitably have to follow suit and often welcome it well to try to avoid or even strengthen its position in the economy, especially in times of recession. Business actors must know how the strategy must be done so that the business they run can survive in conditions of economic recession. The purpose of this paper is to find out the strategies of business actors in facing the economic recession.

2. Literature Review

Recession is a condition in which real economic growth grows negatively or in other words, there is a decline in gross domestic product for two consecutive quarters in the current year. A recession is marked by a weakening of the global economy and will affect the domestic economy of countries around the world. The possibility of a country experiencing a recession is stronger if the country's economy is dependent on the global economy (Miraza, 2019). An economic recession can cause a decrease in all economic activities such as corporate profits, employment and investment simultaneously. An economic recession is usually associated with a fall in prices (deflation), or conversely, a sharp rise in prices (inflation) in a process known as stagflation. Other factors causing a recession can be seen from several things such as the imbalance between production and consumption, slow or declining economic growth for two consecutive quarters, the value of imports is much greater than the value of exports, and the unemployment rate is getting higher (Blandina, Noor Fitriani, et al., 2020).

According to the International Monetary Fund and World Bank according to their predictions that in 2020 there will be a global economic recession. According to the two institutions, broadly speaking, global economic growth will decline to negative 2.8%. In fact, if we look back, the two institutions previously predicted that economic growth would increase by 3%. However, something unexpected happened, namely the COVID-19 pandemic, causing very different changes. An unprecedented thing, causing tremendous turmoil for the entire country (Nasution, Erlina, & Muda, 2020) (Darmastuti et al., 2021). In the history of the economy, Indonesia has faced a recession in 2020. It is recorded in data from the Central Bureau of Statistics (BPS) that the Indonesian economy in the third quarter of 2020 experienced a growth contraction in the third quarter of 2019 by 3.94 percent (y-on-y) (Sholahudin, 2021). Talking about an economic recession, an increase in unemployment and a decrease in income is one aspect that triggers an economic recession, this can happen because in the long term unemployment and a decrease in income will result in a large decrease in welfare. The major impact of a prolonged economic recession will result in a decline in mental health in a country's population. This decline in mental health is a reflection of society facing extreme difficulties in the distribution of welfare (Boyce, Delaney, & Wood, 2018) (Darmastuti et al., 2021).

The potential for an economic recession that occurred in the COVID-19 era is a form of recession that began with a health crisis that requires each country to take more responsive policies such as regional quarantine and so on. This health crisis then has the impact of a decline in economic activity which is characterized by a number of problems that have characteristics such as those that occur in an economic

recession (Darmastuti et al., 2021). This recession also affected annual expenditures, which almost entirely contracted, as well as household consumption which experienced a deep decline, which was minus 4.04 percent (Sholahudin, 2021). This recessionary condition will result in decreased public spending due to reduced income, unemployment will increase and poverty will increase, many will have to accept layoffs or salary cuts, and other impacts that arise even though not all people feel the same impact. The government implements a strategy of accelerating absorption to stimulate the economy so as to reduce economic contraction. This strategy certainly overcomes some of the causes of the emergence of a recession by issuing fiscal and monetary policies in order to create normal economic stability (Sholahudin, 2021).

The International Monetary Fund and the World Bank predict that a recession will threaten the global economy until the end of the first quarter of 2020 (Nasution et al., 2020). Based on these conditions, researchers are interested in researching and analyzing strategies that can be carried out by the government and society to prevent Indonesia from an economic recession during the pandemic (Blandina, Noor Fitriani, et al., 2020). The presence of recession and depression can not be prevented except to mitigate the possible impact. When the economy continues to grow in the long term, it is found that the marginal efficiency of capital - call it income from an investment - decreases which reduces the desire of capital owners to be reluctant to invest and shifts it to the financial sector as an alternative source of income from interest or shares. This too is a common thing done by the owners of capital (investors). This action is called a rational action taken by investors to avoid losses or to get replacement income (Miraza, 2019).

Currently, many countries are discussing the possibility of a recession and depression in their respective countries. Indonesia is one of them. Signals of the onset of recession and depression can be seen from the weakening of real sector economic activity in the country. Many countries are worried that their country's recession will continue into depression. Therefore, the state issues various policies to provide administrative convenience (permits) and taxes for capital owners (investors) to invest. Industrial estates are built everywhere to make it easier for capital owners to invest. Likewise with infrastructure development. The goal is none other than to keep the economy alive and people can earn income so that purchasing power is maintained. That's why the state always monitors the amount of household spending as a signal that purchasing power can still be maintained. As is the case, the magnitude of Indonesian household expenditure is around fifty-five percent of total national expenditure. Household spending as a supporter of Indonesia's current economic movement (Miraza, 2019).

3. Method

This research is a descriptive research using the library method. The goal to be achieved in this research is how to determine the strategy of business actors in dealing with the current economic recession due to the Covid-19 Pandemic. While the expected benefits of this research are expected to be additional studies on what strategies must be anticipated by many companies in order to face the economic recession that may occur, both in Indonesia and widely to other countries.

4. Result and Discussion

Result

The Covid-19 pandemic that first appeared and developed in China has caused many countries in the world to experience anxiety. Concerns that occur also occur in the business sector, where one of the policies taken by many countries is the limitation of social activities, including for workers in the business sector. Even though the business sector is a large company, the restrictions on social activities also affect the health of its business. Business actors cannot fulfill their own needs even though the company is a large company that in business has owned and played many roles. Activity restrictions due to the Covid-19 pandemic have caused economic losses nationally (Hardiwardoyo, 2020). National economic losses will inevitably occur in Indonesia and only the end of the crisis can save the company to save the company before mass bankruptcy occurs.

One of the policies issued by the government to reduce the expansion of the Covid-19 virus is to issue a large-scale social restriction (PSBB) policy that is set for all regions of Indonesia. However, as for the impact of this policy, there is a very large influence in the business world, especially for businesses whose market share involves the wider community, such as businesses in entertainment venues, shopping centers, businesses in the field of training and seminars, education and training seminars and others. In addition to companies whose market share is the wider community, companies that involve a large workforce such as factories with a large workforce are also affected by the policy of limiting social activities. As a result of this

policy, many business actors have finally laid off their workers, and many business actors have temporarily closed their businesses because of this policy. The impact of this policy is felt for both business actors and workers, including in terms of tax revenue. However, to overcome this, the Indonesian government has issued a policy to assist taxpayers affected by COVID-19. Benefits for taxpayers, namely the reduction of tariffs to exemption from income tax, the goal is that the economy that has stopped can move up to become stable (Padyanoor, 2020).

The benefits for taxpayers are the reduction of tariffs up to the exemption of income tax, the aim is that the economy that has stopped can move up to become stable. With the policies that have been issued by the government, in this case the Director General of Taxes, it is hoped that business actors will start to get excited again from the fear of the community due to the effects of this covid-19 pandemic. The existence of several tax incentives rolled out by the government such as reducing tax rates, providing free employee taxes for certain groups of companies is expected to have a positive effect and can immediately move the economy (Sunarmin & Junaidi, 2021). The World Bank issued a study on global growth in 2021 which shows the forecast for inequality in the global economy to fall rapidly and significantly. This is due to restrictions on social activities in countries around the world to reduce the spread of the Covid-19 virus. The condition of the fall of the global economy was also influenced by the Russia-Ukraine war in 2022, which further worsened global economic conditions (Adi Pratama, 2022). The increase in commodity prices also expanded price pressures originating from world financial institutions as shown in Figure 1 below:

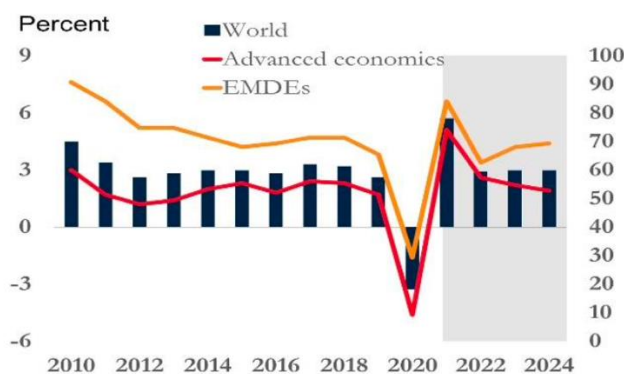


Figure 1. Economics Percentage Fluktuation
Source: World Bank Data

Because of the above, business actors must have a strategy against the global economic recession that hit. Business actors must analyze the capabilities and position of their companies in these difficult conditions. This is also done by one company PT. Adhi Karya Persero which conducts a SWOT analysis to measure the company's ability and strength to find strategies to deal with economic recession. The strategy taken is to use a new strategy that has been formulated to face increasingly fierce competition. Using this new strategy can create new markets. In addition, to face increasingly fierce competition, the company re-evaluates the strategies used and creates other value innovations in this field so that the company can continue to develop and advance. To develop performance, the company can provide training and potential development for HR (Pandoyo et al., 2021). In addition, business actors also need to develop startup business innovations and support MSME business actors as an effort to encourage economic growth so that it continues to run in the midst of the economic crisis due to the Covid-19 outbreak (Sunarmin & Junaidi, 2021).

For business actors whose market share is not only domestic, it is necessary to increase foreign market share as a form of meeting needs and income, and product development in the form of healthy competition. This is followed by the price of the product must be in a vulnerable position not far from competitors or competitors. As well as maximizing partner relations and maximizing contracts, from every cooperation for every country that has domestic economic interests. The functionalization of industrial organizations in a region of each country, must be utilized immediately. With the aim of contributing to and supporting the acceleration of the economy, domestic income, and foreign exchange reserves (Adi Pratama, 2022). Business actors in facing the economic recession are developing startup business innovations and supporting MSME business actors, providing training and potential development to human resources, re-evaluating the strategies used and creating other value innovations so that it is hoped that this new strategy can create new markets, financial restructuring, productivity improvements; competitiveness, increasing market share, product development in the form of healthy competition, and optimizing marketing relationships with customers through customer relationship marketing in order to create loyal customers who have the potential to make repeat purchases and recommend products to other potential customers.

By implementing this strategy, it is hoped that the businesses of business actors can continue to survive, and have a positive impact on society and the economy.

Discussion

The Covid-19 virus first appeared in China, where the spread of the virus to various countries was very fast, including in Indonesia. The Covid-19 virus first appeared in Indonesia in March 2020 which was the beginning of turmoil and anxiety as well as concerns for all Indonesian people in general. The spread of the Covid-19 virus is so fast and wide that it must have a very significant and broad impact and effect, including impacting companies and business actors in maintaining their business. The impact felt for the company is not only in the internal scope of Indonesia, but also has a global impact in other countries, both in developing and developed countries. The effects of the Covid-19 pandemic have caused a significant decline in the company's business activities. To help increase business actors, the government has provided several incentive policies for entrepreneurs so that the downturn in the business world can be strictly minimized (Padyanoor, 2020). To help increase business actors, the government has provided several incentive policies for entrepreneurs so that the downturn in the business world can be strictly minimized (Sunarmin & Junaidi, 2021).

The decline in company performance due to the impact of the Covid-19 pandemic has resulted in a significant decrease in stock value and financial performance (Rahmani, 2020). Steps that must be taken are how the Indonesian government's strategy to deal with the threat of recession includes the government's fiscal and monetary capabilities; productivity improvements; competitiveness; investment; and the world economy. In addition to the role of the government, the community also has a role to play, such as developing startup business innovations and supporting MSME business actors as an effort to encourage economic growth to keep running in the midst of the economic crisis due to the Covid-19 outbreak (Blandina, Fitriani, et al., 2020).

The Indonesian government has taken several policy steps to address other economic and social issues. Several stimulus policies were also taken to re-invigorate economic activity. Monetary and fiscal policies were taken to prevent more serious economic problems. The harmonization of fiscal and monetary policies is carried out to minimize the threat of an economic recession. The Indonesian government has also implemented a program that is included in Indonesia's economic policy strategy in dealing with COVID-19, namely the National Economic Recovery Program (PEN) launched by President Joko Widodo and chaired by Coordinating Minister for the Economy Airlangga Hartanto. In its implementation, this program provides an injection of IDR 14.1 trillion to four SOEs to increase capacity and operations carried out during COVID-19. In addition, the provision of tax incentives for businesses worth Rp 123.01 trillion is also included in the PEN program. The tax incentives are obtained from deductions from the import tax on raw materials, income tax, and the initial levy of value added tax (Darmastuti et al., 2021).

Indonesia provides tax breaks to assess recession risk. Its objectives include preventing unemployment, stabilizing investment, protecting business sector cash flows, reducing consumption and the like to reduce total demand (aggregate demand). The purpose of the tax relief is, among others, to maintain people's purchasing power, distribute the company's cash flow space, offset switching costs (costs related to changes in import and export destination countries), administrative tax relaxation and support for the health sector (Subagiyo et al., 2021).

Because of the above, business actors must have a strategy against the global economic recession that hit. Business actors must analyze the capabilities and position of their companies in these difficult conditions. This is also done by one company PT. Adhi Karya Persero which conducts a SWOT analysis to measure the company's ability and strength to find strategies to deal with economic recession. The strategy taken is to use a new strategy that has been formulated to face increasingly fierce competition. Using this new strategy can create new markets. In addition, to face increasingly fierce competition, the company re-evaluates the strategies used and creates other value innovations in this field so that the company can continue to develop and advance. To develop performance, the company can provide training and potential development for HR (Pandoyo et al., 2021). In addition, business actors also need to develop startup business innovations and support MSME business actors as an effort to encourage economic growth so that it continues to run in the midst of the economic crisis due to the Covid-19 outbreak (Sunarmin & Junaidi, 2021).

For business actors whose market share is not only domestic, it is necessary to increase foreign market share as a form of meeting needs and income, and product development in the form of healthy competition. This is followed by the price of the product must be in a vulnerable position not far from competitors or competitors. As well as maximizing partner relations and maximizing contracts, from every cooperation for every country that has domestic economic interests. The functionalization of industrial

organizations in a region of each country, must be utilized immediately. With the aim of contributing to and supporting the acceleration of the economy, domestic income, and foreign exchange reserves (Adi Pratama, 2022).

5. Conclusion

The Covid-19 pandemic that hit most parts of the world has caused great concern for all people in the world. The effects and impacts caused by the Covid-19 Pandemic are very broad, including the impact on business actors in running their business. The policy of limiting activities and movements on a national and global scale taken by the government caused a decline in business activities. The government has provided several incentive policies for business actors so that the downturn in the business world can be strictly minimized. Of course, business actors must also prepare several strategies in dealing with an economic recession where several strategies that can be done are by developing startup business innovations and supporting MSME business actors, providing training and potential development to HR, re-evaluating the strategies used and reinventing other value innovations so that it is hoped that this new strategy can create new markets, financial restructuring, productivity improvements; competitiveness, increasing market share, product development in the form of healthy competition, and optimizing marketing relationships with customers through customer relationship marketing in order to create loyal customers who have the potential to make repeat purchases and recommend products to other potential customers.

Based on the conclusions above, the researcher acknowledges that there are limitations in this study, such as the data used are still limited to the results of previous studies and various literatures that have been exposed to journals and media. It is hoped that further research will be able to complete various sources that are more developed and other data that can support research so that the right strategy will be obtained for business actors in facing an economic recession.

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