

Indonesian Economic Sovereignty: Soemitronomics and the Axiology of Pancasila as Strategies to Face Global Hegemony

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ABSTRACT

This article comprehensively examines Indonesia's economic defense strategy in facing the three poles of global hegemony: Sovereign Power (81 Trillion USD), Transcapital Power (78 Trillion USD), and Technology Power (6 Trillion USD). Using a qualitative literature review methodology enriched with critical geopolitical analysis, the study is built upon three main reference pillars: (1) the thought of Soemitro Djojohadikusumo as documented in the book *Soemitro Djojohadikusumo Anti-Colonialism: The Struggle of Indonesian Political Economy Thought* (2026); (2) the philosophical framework of Pancasila in its axiological dimension as studied by Sindi Pramita et al. in the *Journal on Education* (2024); and (3) the global geo-economic map of *Design Thinking: Defense vs. Domination Strategy* (2026). The study finds that Soemitronomics—the value-based economic paradigm developed by Soemitro—operationalizes seven strategic pillars that directly correspond to the axiological framework of Pancasila's five principles. Results demonstrate that the contemporary programs of President Prabowo Subianto, particularly Free Nutritious Meals (MBG) and the Red and White Village Cooperative, represent the most concrete institutional manifestations of this synthesis. The article concludes that Soemitronomics, in the multipolar era of 165 trillion USD global power, constitutes not merely an historical academic legacy but an urgent and actionable roadmap for Indonesia's sovereign development

INTRODUCTION

The world today is no longer governed by a single hegemon. It is controlled by three poles of power that are interlinked and competing for structural influence over developing countries. The geo-economic diagram of *Design Thinking: Defense vs Domination Strategy* (2026) precisely identifies these three poles: Sovereign Power with a total GDP base of 81 trillion USD, led by system integrators such as the United States, Germany, Japan, South Korea, and France; Transcapital Power with total managed assets of 78 trillion USD, controlled by central banks, asset managers like BlackRock, Vanguard, and JP Morgan, as well as giant hedge funds and pension funds; and Technology Power with a total GPT valuation of 6 trillion USD, dominated by the semiconductor, artificial intelligence, biotechnology, and energy storage industries—led by companies such as TSMC, NVIDIA, Microsoft, Google, and CATL [1].

These three forces form an architecture of domination that places developing countries—including Indonesia—in a structurally vulnerable position. In the diagram, Indonesia is explicitly categorized as a country in the group of 'Highly Dependent Vulnerability' (3 Trillion USD GDP) alongside India, the Philippines, Pakistan, Bangladesh, and Egypt. This is not an accusation—it is a structural diagnosis that must be addressed with the right strategy [2].

The fundamental question posed by this article is: how should Indonesia build an economic defense strategy that is not only reactive but also has a solid foundation of values and paradigms? The answer is found in two mutually reinforcing intellectual sources: the economic thought of Soemitro Djojohadikusumo (referred to as Soemitronomics) and the axiology of Pancasila—the value system that since 1945 has served as the foundation of all aspects of Indonesian national life, including its economic life [3].

The urgency of this research is underscored by a convergence of contemporary pressures: Trump's reciprocal tariffs reshaping global trade architecture, digital platform dominance threatening national data sovereignty, and the accelerating restructuring of global supply chains in semiconductors and energy storage—all of which directly affect Indonesia's strategic position. Existing literature on Indonesian economic development has extensively examined Soemitro's technocratic contributions [4] but has insufficiently explored the axiological-normative dimension that connects Soemitronomics thought to Pancasila's philosophical system as an integrated defense paradigm. This article fills that gap.

Table 1: The Three Poles of Global Power and Their Mechanisms of Domination over Indonesia

Pole of Power	Global Value	Main Players	Mechanism of Domination over Indonesia
Sovereign Power (State)	81 T USD	US, Germany, Japan, South Korea, France	Asymmetric reciprocal tariffs; geopolitical pressure; international conferences imposing liberalization

Transcapital Power (Capital)	78 T USD	BlackRock, Vanguard, The Fed, ECB, Hedge Funds & PE	External debt; fiscal subordination; currency speculation; IMF & World Bank conditionality
Technology Power (Technology)	6 T USD	TSMC, NVIDIA, Microsoft, Google, Amazon, CATL	Data colonization; platform dependency; control of semiconductor & energy value chains

LITERATURE REVIEW

Soemitronomics: Anatomy Of A Sovereign Economic Paradigm

1. Intellectual Biography: From Rotterdam to Pancasila Economics

Soemitro Djojohadikusumo (1917–2001) was born in Kebumen into a priyayi family that placed education as the foundation of social mobility. He studied economics at the Nederlandsch Economische Hoogeschool in Rotterdam and earned his doctorate at a relatively young age. Unlike many Western-educated economists who tended to adopt laissez-faire policies, Soemitro recognized the necessity of directed state intervention to overcome structural underdevelopment—a conviction shaped by his observation that political independence without economic independence constitutes an illusion [4].

His intellectual journey produced what this article terms Soemitronomics: a development paradigm that places value and sovereignty, rather than market efficiency alone, as the foundational starting point of economic policy. As the father of Indonesia's 8th President, Prabowo Subianto, Soemitro's intellectual legacy represents not merely biographical continuity but a living intellectual tradition connecting the independence-era struggle for economic sovereignty to contemporary development policy [3].

2. The Seven Pillars of Soemitronomics

The seven pillars of Soemitronomics can be derived from a systematic reading of Soemitro's corpus and are elaborated as follows:

Pillar I—The State as Architect of Transformation: Soemitro rejects the night-watchman conception of the state. For him, the state must act as the architect of economic transformation, providing the large-scale coordination—from financing to technology development to skilled workforce creation—that markets cannot spontaneously generate. This view aligns with Evans' (1995) theory of embedded autonomy: a state sufficiently strong to guide the economy while remaining connected with productive society [9].

Pillar II—Industrialization as a National Dignity Project: Industrialization within Soemitronomics is not merely a growth strategy but a national project. 'Industry must be a way to overcome the colonial economy while also leading to the formation of the nation's dignity.' The emphasis on downstreaming—processing resources into high value-added products before export—directly challenges the colonial commodity-extraction model [4].

Pillar III—Domestic Capital Formation: Soemitro rejected permanent dependence on foreign capital. The state budget must function as a tool of social

transformation: 'Expenditure patterns reflect the moral orientation of the state—whether to let inequality work naturally or consciously intervene.' This represents a direct connection between fiscal policy and normative commitment [3].

Pillar IV—Selective Integration: Independence does not mean isolation. Selective integration—involvement in the global economy based on national interests, not the interests of creditors or foreign platforms—is the operative principle. Protection of infant industries is not protectionism per se but a legitimate developmental tool historically employed by all currently developed nations [12].

Pillar V—Indonesia Incorporated: The concept of Indonesia Incorporated represents the unification of the state, SOEs, national private sector, and cooperatives in a single strategic development direction. Strong vertical and horizontal coordination ensures that fiscal, monetary, industrial, and trade policies operate within a coherent grand design rather than in fragmented sectoral silos [3].

Pillar VI—Cooperatives as the Foundation of Economic Democracy: Cooperatives strengthen the bargaining position of small producers while preventing surplus extraction by intermediaries. As the 'foundation of economic democracy,' cooperatives enable direct community participation in productive ownership—representing the most concrete institutional form of Pillar IV of Pancasila [7].

Pillar VII—Data and Technology Sovereignty as National Security: In the digital era, data constitutes a 'strategic commodity' that must remain under national jurisdiction. Mastery of digital infrastructure is the modern equivalent of controlling 20th-century manufacturing industries. This pillar, when elaborated through the lens of computer science, demands Indonesia develop what may be termed Digital Sovereignty Architecture—encompassing the Semantic Web, national database ontologies, and Decentralized Autonomous Organization (DAO) frameworks that position Indonesian citizens as sovereign subjects rather than data commodities of global platforms

Table 2: Seven Pillars of Soemitronomics and Their Axiological Correspondence

No.	Soemitronomics Pillar	Pancasila Sila Correspondence	Contemporary Policy Intervention
I	State as Architect of Transformation	Sila III – Unity (Indonesia Incorporated)	BUMN strategic reform; long-term development planning beyond electoral cycles
II	Industrialization as National Dignity	Sila II – Humanity (memuliakan bangsa)	Export ban on raw strategic materials; downstreaming incentives (nickel, bauxite, CPO)
III	Domestic Capital Formation	Sila V – Social Justice (distributional mandate)	SWF strengthening; optimal tax mobilization; productive investment over subsidies
IV	Selective Integration	Sila IV – Democracy (bebas-aktif principle)	Genuine reciprocal trade negotiations; rejection of IMF conditionalities contra Article 33

V	Indonesia Incorporated	Sila III – Unity (sinergi negara-BUMN-koperasi)	Red and White Village Cooperatives; integrated national supply chains
VI	Cooperatives as Economic Democracy	Sila IV – Democracy; Sila V – Social Justice	Koperasi Desa Merah Putih; cooperative access to finance and digital technology
VII	Data & Technology Sovereignty	Sila II – Humanity (digital dignity of citizens)	Data localization regulation; domestic semiconductor capacity; national AI development

Source: Authors' Construction based on Soemitro (1955, 1966, 1973) [4][8]; Agus Rizal et al. (2026) [3]

Pancasila Axiology: The Value Foundation Governing Economic Policy

1. Pancasila as a Philosophical System: Three Main Dimensions

As examined by Sindi Pramita et al. in the Journal on Education (2024), Pancasila as a philosophical system possesses its own ontological, epistemological, and axiological foundations that distinguish it from other philosophical systems [7]. In the context of this study, the axiological dimension is most operationally relevant because it addresses values – what is good, what is right, and what should constitute the goal of national life, including economic life.

The axiology of Pancasila affirms that the values contained in the five principles represent the aspirations and hopes of the Indonesian nation – not as ideological impositions but as an organic value unity distilled from the historical and cultural substrate of Indonesian civilization. As Notonagoro clarifies, the fundamental ontological nature of Pancasila is human being – who is simultaneously godly, humane, united, democratic, and socially just – establishing humans not as a variable of production but as the ultimate purpose of the entire development process [7].

2. Five Principles as Five Dimensions of Economic Defense

Each principle of Pancasila provides an axiological shield against specific forms of global hegemonic domination:

Sila I (Divinity) demands a moral economy: humans cannot be reduced to homo economicus. In development terms, this means no policy can legitimize the sacrifice of human dignity for the sake of growth statistics. It serves as a check against the dehumanizing logic of pure efficiency maximization promoted by Transcapital Power's financial architecture [7].

Sila II (Humanity) demands equal dignity and protection of vulnerable groups. In Soemitronomics terms, this translates to investment in human capital, distribution of domestic added value, and policies that resist labor commodification by global digital platforms. The Free Nutritious Meals (MBG) program is the most concrete institutional expression of this principle [3].

Sila III (Unity) mandates Indonesia Incorporated – the synergistic alignment of state, SOEs, cooperatives, and private sector in a single strategic

direction. This principle directly counters the fragmentation of interests that global capital exploits to establish structural dependence [7].

Sila IV (Popular Sovereignty) mandates economic democracy: productive ownership must be democratized rather than concentrated in oligarchic hands. Cooperatives are not supplementary economic institutions but the primary institutional form of Sila IV in the economic domain. This principle also mandates the bebas-aktif approach in international economic relations – neither isolation nor subordination [3].

Sila V (Social Justice) is the supreme normative standard: even distribution of added value, aligned with Rawls' difference principle – inequality is permissible only insofar as it benefits the least advantaged members of society. This principle demands downstreaming, strategic sector control by the state, and fiscal policy as an instrument of structural transformation rather than mere macroeconomic stabilization [10].

3. Pancasila Axiology and Rawlsian Distributive Justice

Soemitro constructs an intellectual bridge between Pancasila's axiology and Rawls' theory of justice [10]. In *A Theory of Justice* (1971), Rawls asserts that justice is the primary virtue of social institutions and that the basic structure of society must be arranged to benefit those who are least advantaged – the difference principle. This aligns with Sila V, which was formulated in 1945, decades before Rawls wrote his monumental work.

Soemitro consistently rejected trickle-down economics: 'Justice becomes a structural variable that determines economic sustainability. Extreme inequality weakens domestic demand and makes the industrialization base fragile.' This is simultaneously a moral and an economic argument: more equal societies possess more stable social foundations for long-term industrialization [3].

In the contemporary technical dimension, this axiological synthesis demands what may be termed Pancasila Computational Epistemology – AI and algorithmic systems that are not merely data-driven but value-driven. The Fourth Principle's deliberative wisdom translates technically as the Human-in-the-loop principle in autonomous economic systems: intelligent systems must preserve space for human moral consideration, ensuring technology functions as an instrument of liberation rather than administrative oppression [13][14].

Table 3: Five Principles of Pancasila as the Axiological Framework of Economic Defense

Pancasila Principle	Core Axiological Value	Soemitronomics Implication	Form of Hegemony Opposed
I – Divinity	Moral economy; humans are not merely production inputs	Development that honors dignity, not merely accumulation of growth statistics	Reduction of humans to homo economicus by neoliberal logic

II – Humanity	Equal dignity; protection of vulnerable groups	Human resource investment; distribution of domestic added value; MBG as humanitarian nutrition	Data colonization; exploitation of cheap labor by global platforms
III – Unity	Indonesia Incorporated; synergy of state- SOEs-cooperatives- private	Integrated industrialization; national supply chains; food & energy security	Fragmentation of interests exploited by foreign capital & technology
IV – Popular Sovereignty	Economic democracy; productive ownership of the people	Cooperatives as foundation; deliberative economic policy; people's participation	Domestic & foreign capital oligarchy that co-opts state policy
V – Social Justice	Even distribution of added value; Rawlsian distributive justice	Downstreaming; control of strategic sectors; budget as social transformation tool	Trickle-down economics that normalizes structural inequality

Source: Authors' Synthesis based on Sindi Pramita et al. (2024) [7]; Soemitro (2026) [3];
Rawls (1971) [10]

Three-Line Defense Strategy: Soemitronomics Responds To Three Poles Of Hegemony

Based on the geo-economic map of Design Thinking (2026) [1] and the Soemitronomics framework, Indonesia requires a simultaneous defense strategy on three lines corresponding to the three poles of global dominance. The diagram identifies that each power plays a distinct role: Capital Power acts as the Liquidity Architect; Technology Power as the Capability Multiplier and Structural Disruptor; State Power as the Security Operator and Risk Absorber. Indonesia must respond to each role with an asymmetric yet integrated strategy.

Line 1 – Against Transcapital Power: Building a Sovereign Financial Architecture

Soemitro emphasized that 'banks should be subject to the financial architecture built by the country – not become shadows of foreign governments' [3]. In the context of Transcapital Power controlled by BlackRock, Vanguard, The Fed, and hedge funds worth 4 trillion USD, Indonesia faces serious risk of fiscal subordination. Any budget policy that relies too heavily on foreign capital flows is vulnerable to creditor dictation. The financial defense strategy developed from Soemitronomics includes: (a) strengthening Indonesia's Sovereign Wealth Fund (SWF) as autonomous financial ammunition independent of global capital

volatility; (b) reforming the national banking system to channel credit to productive sectors rather than short-term speculation; (c) selective capital controls on destabilizing hot money; (d) optimal domestic tax mobilization to systematically reduce external debt dependence; and (e) developing a deep domestic bond market for development financing.

Line 2 – Against Technology Power: Building Digital and Technology Sovereignty

Technology Power of 6 trillion USD, controlled by TSMC, NVIDIA, Microsoft, Google, Amazon, and CATL, is the most transformative yet most threatening pole of hegemony. Soemitro views 'control over digital infrastructure as the modern equivalent of 20th-century manufacturing industry control' [3]. Multinational technology platform dominance constitutes new colonization that is more subtle yet no less damaging to sovereignty. The geo-economic diagram identifies the basis of Technology Power as 'Citizen of The Platform' [1]—an explicit warning that if Indonesia fails to control its citizens' data, it surrenders its most fundamental sovereignty. The defense strategy against Technology Power requires the development of Digital Commons managed with a cooperative spirit—technically achievable through Decentralized Autonomous Organizations (DAO) and Blockchain technology integrated with the spirit of Sila III (Unity) [15]. Indonesia must shift from being a 'consumer of architecture' to a 'system architect,' mastering the full technology stack from semiconductor circuit design to national operating systems and cryptographic libraries [16].

Line 3 – Against Sovereign Power: Hedging Strategy and Sovereign Economic Diplomacy

The Sovereign Power of 81 trillion USD operates through tariffs, trade agreements, security alliances, and diplomatic pressure. Trump's reciprocal tariffs constitute the latest manifestation of what Soemitro called 'external structural pressure originating from the design of the U.S. State Department' [3]. Indonesia's position as a natural resource and commodity anchor (9 Trillion USD), alongside Brazil, Australia, Saudi Arabia, and Canada, provides genuine bargaining power—but only if managed with the right strategy rather than surrendered to free market logic [1]. Soemitro's hedging principle—'maintaining relations with various blocs without losing decision-making autonomy'—must become an economic policy doctrine: (a) negotiating genuine reciprocal trade agreements; (b) building South-South coalitions for collective bargaining; (c) deploying Indonesia's natural and biological resource wealth as green collateral in international negotiations; and (d) rejecting IMF and World Bank conditionalities that contradict Article 33 of the 1945 Constitution

METHODS

Research Design

This study employs a qualitative research design grounded in a critical systematic literature review (SLR) methodology, supplemented by comparative geopolitical analysis. As a conceptual and normative study situated at the intersection of political economy, development studies, and philosophy of social

science, this research does not generate primary empirical data through surveys or experiments. Instead, it constructs a theoretical synthesis from a carefully curated body of primary and secondary sources that collectively constitute the empirical basis of the argument [5].

The research design follows the paradigm of critical interpretivism: it does not merely describe existing phenomena but interprets and evaluates them against a normative framework—the axiology of Pancasila and the Soemitronomics paradigm—while simultaneously examining the geopolitical context in which these frameworks must operate. This approach is appropriate for research questions that are fundamentally normative and strategic in nature: 'How should Indonesia defend its economic sovereignty?' rather than 'What is the current state of Indonesia's economy?' [6].

Data Sources and Collection Procedure

Data collection for this study was conducted through systematic documentary analysis of three primary source categories:

First, primary theoretical sources: the book Soemitro Djojohadikusumo *Anti-Colonialism: The Struggle of Indonesian Political Economy Thought* (Agus Rizal, Yudhie Haryono, & Dedi Setiadi, 2026), which provides the most comprehensive and current documentation of Soemitro's economic thought; the peer-reviewed article by Sindi Pramita et al. (2024) in the *Journal on Education*, which provides the philosophical framework for Pancasila as an axiological system; and the geo-economic diagram *Design Thinking: Defense vs Domination Strategy* (2026), which provides the contemporary structural diagnosis of global power architecture [1][3][7].

Second, foundational theoretical works: selected works of Soemitro Djojohadikusumo (1955, 1966, 1973); Rawls' *A Theory of Justice* (1971) and *Justice as Fairness* (2001); Smith's *Theory of Moral Sentiments* (1759/2002); Evans' *Embedded Autonomy* (1995); Prebisch's *dependencia* framework (1950); Chang's *Kicking Away the Ladder* (2002); and Polanyi's *The Great Transformation* (1944) [8][9][10][11][12].

Third, contemporary technical literature in computer science: Couldry & Mejias (2019) on data colonialism; Kwet (2019) on digital colonialism; Buterin (2014) on decentralized autonomous organizations; Patterson & Hennessy (2017) on computer organization—constituting the technical dimension of Pillar Seven's contemporary elaboration [13][14][15][16].

Documents were selected based on three inclusion criteria: (a) direct relevance to Soemitronomics thought, Pancasila philosophy, or global geo-economic power dynamics; (b) scholarly credibility (peer-reviewed journals, academic monographs, or authoritative policy documents); and (c) temporal relevance (prioritizing sources from the past decade, with classic works included where they provide foundational theoretical grounding).

Analytical Framework

The analytical procedure followed a four-stage process. Stage one involved content analysis of each primary source to extract core propositions, taxonomies,

and normative claims. Stage two involved cross-referential mapping—systematically identifying convergences and divergences between Soemitronomics propositions, Pancasila axiological principles, and the structural diagnoses provided by the geo-economic framework. Stage three involved synthesis construction, producing an integrated framework in which the three intellectual pillars are shown to be mutually reinforcing rather than merely parallel. Stage four involved policy projection—identifying contemporary empirical manifestations of the synthesized framework in Indonesia's current policy landscape, specifically the Free Nutritious Meals program and the Red and White Village Cooperative [17].

The validity of the analysis is maintained through the triangulation of three independent intellectual traditions (Soemitronomics economic theory, Pancasila philosophy, and geo-economic diagnosis), peer-referencing against established theoretical frameworks (Rawlsian distributive justice, dependency theory, developmental state theory), and transparent documentation of all analytical steps and source attributions in IEEE citation format.

Epistemological Positioning and Limitations

This research operates within a critical realist epistemological stance: it accepts that structural conditions of global hegemony constitute real causal mechanisms that constrain Indonesia's policy space, while simultaneously affirming that normative frameworks—axiology of Pancasila and Soemitronomics values—can provide genuine action-guiding principles that are not reducible to mere ideological preference [18]. The primary limitation of this study is its predominantly conceptual character: empirical validation of the specific policy recommendations advanced would require longitudinal quantitative analysis of economic indicators, which lies beyond the scope of the present work and constitutes a direction for future research.

RESULTS

Principal Findings: The Soemitronomics-Pancasila Synthesis as a Unified Defense Framework

The systematic literature review and cross-referential analysis yield four principal findings that collectively constitute the article's central contribution.

Finding 1 —Structural Isomorphism: The analytical mapping reveals a structural isomorphism—not merely a superficial resemblance—between Soemitronomics pillars and Pancasila axiological principles (see Table 2). Each of the seven Soemitronomics pillars corresponds directly to a specific dimension of one or more Pancasila principles, suggesting that Soemitro's economic thought was not constructed in opposition to Pancasila's philosophy but as its concrete developmental operationalization. This finding challenges the prevalent academic framing that treats Soemitronomics as a purely technocratic-developmental discourse and Pancasila as a normative-philosophical one. They are, in fact, co-constitutive: Pancasila provides the axiological validation for each

Soemitronomics intervention, while Soemitronomics provides the strategic instrumentalization of each Pancasila value [3][7].

Finding 2 – The 165 Trillion USD Challenge as Structural, Not Cyclical: The geo-economic analysis confirms that the three-pole hegemonic challenge Indonesia faces is structural in character – rooted in the architecture of global power—rather than a cyclical fluctuation addressable through conventional macroeconomic stabilization. The combined 165 trillion USD of Sovereign, Transcapital, and Technology Power significantly exceeds Indonesia's entire GDP by a factor of approximately 55:1. Half-hearted reforms or market-conforming adjustments will not produce the structural transformation Soemitronomics demands. The analysis validates Soemitro's prescient warning: 'Indonesia is vulnerable to economic political sovereignty because it betrays the foundation and vision of the 1945 economic constitution' [3]. Structural diagnosis requires structural – not symptomatic – responses.

Finding 3 – The Digital Ontology Gap: The cross-referential analysis between Pillar VII and contemporary computer science literature [13][14][15][16] reveals a previously under-theorized dimension of sovereignty: digital ontological sovereignty. Indonesia has been trapped in a 'Digital Colonial Ontology' scheme – a knowledge engineering architecture constructed by global technology hegemony in which Indonesian citizens are positioned as users-as-market-objects and data-as-advertising-commodities rather than as sovereign subjects. The Soemitronomics paradigm demands a fundamental shift: national data architecture must be redesigned with Indonesian citizens as the primary ontological class – the main entity – rather than a supplementary attribute of foreign algorithmic systems. This constitutes a form of epistemic decolonization that extends Soemitro's anti-colonialism into the digital domain.

Finding 4 – Prabowo's Programs as Institutional Soemitronomics Manifestations: Analysis of the Free Nutritious Meals (MBG) program and the Red and White Village Cooperative reveals that both programs, when examined through the Soemitronomics lens, embody the synthesis of Pillars II, III, VI, and their corresponding Pancasila axiological values (Sila II and V). MBG is not merely a social welfare program but an investment in human capital (Pillar III) that simultaneously generates domestic demand through local supply chains (Pillar II) – constituting capital formation from within the Indonesian economy. The cooperative program directly instantiates Pillar VI and the democratic economic vision of Sila IV, while the local supply chain design embodies the Indonesia Incorporated principle of Pillar V (see Table 4) [3].

Table 4: Reconciliation of Soemitronomics, Pancasila Axiology, and Prabowo's Programs

Pancasila Value	Soemitronomics Principle	Prabowo's Program	Response to Global Hegemony
II – Humanity	Human resource investment; domestic	MBG (82.9 million recipients)	Against data colonization & cheap labor exploitation

	added-value distribution		
III – Unity	Indonesia Incorporated; integrated supply chain	MBG local supply chain; natural resource downstreaming	Against interest fragmentation by foreign capital
IV – Popular Sovereignty	Cooperatives as economic democracy foundation	Red & White Village Cooperative (75,265 target)	Against corporate oligarchy co-opting the market
V – Social Justice	Even added-value distribution; Rawlsian justice	MBG + Cooperative (reaching most vulnerable)	Against trickle-down normalizing structural inequality

Source: Authors' Synthesis based on Soemitro (2026) [3]; Pancasila axiological framework [7]

Soemitronomics in the Multipolar Era

The findings above generate three substantive theoretical discussions that advance the scholarship on Indonesian economic sovereignty and post-colonial development theory more broadly.

First, the synthesis demonstrates that the Soemitronomics-Pancasila framework constitutes what may be characterized as a normative developmental state theory—a theoretical contribution that extends beyond earlier developmental state scholarship (Johnson, 1982; Evans, 1995) by grounding state-led development not merely in technocratic rationality but in a coherent axiological system. While Evans' embedded autonomy explains the institutional conditions under which states can effectively guide economic transformation, it remains agnostic on the normative goals of such transformation. The Soemitronomics-Pancasila synthesis fills this gap: the goal is the progressive realization of each of the five axiological values, with social justice as the supreme criterion [9].

Second, the digital ontology finding advances the scholarly understanding of contemporary colonialism. Building on Couldry and Mejias' (2019) concept of data colonialism [13] and Kwet's (2019) digital colonialism [14], this study identifies a more fundamental layer of digital hegemony: ontological colonialism—the imposition of a foreign conceptual architecture on Indonesia's digital self-understanding. Where data colonialism focuses on the extraction of data-as-commodity, ontological colonialism operates at the level of the knowledge structures through which digital reality itself is organized. Indonesia's digital sovereignty project must therefore address not only data flows but the fundamental ontological frameworks—Semantic Web architectures, database schemas, algorithmic taxonomies—that determine whose interests are treated as primary and whose are treated as secondary in digital systems [15][16].

Third, the analysis of Prabowo's programs through the Soemitronomics lens reveals an important policy dimension. Both MBG and the Village Cooperative are consistent with Soemitronomics principles, but their

effectiveness as components of a genuine sovereignty strategy depends critically on implementation quality. MBG's sovereignty potential is realized only if: (a) supply chains are genuinely localized rather than captured by large agribusiness corporations; (b) procurement systems are designed to aggregate demand from cooperatives and smallholder farmers rather than large suppliers; and (c) nutritional standards are maintained without allowing cost-reduction pressures to degrade program quality. Similarly, the Village Cooperative's democratic economic potential is realized only if: (a) cooperative members exercise genuine ownership rather than nominal membership; (b) technology and financing access is genuinely democratized rather than filtered through existing elite networks; and (c) inter-cooperative coordination enables them to collectively negotiate with supply chain actors [3][7].

Implications for Policy and Future Research

The findings of this study carry several concrete policy implications. The Indonesian government should: (a) formally adopt the Soemitronomics-Pancasila synthesis as the explicit normative framework of its development master plan, replacing the implicit market-conformism that has characterized much post-reform economic policy; (b) establish a Digital Sovereignty Architecture Task Force charged with redesigning national digital infrastructure—database ontologies, AI systems, platform regulations—to position Indonesian citizens as sovereign subjects rather than data commodities; (c) develop a National Industrial Policy Roadmap that operationalizes all seven Soemitronomics pillars simultaneously rather than selectively implementing only those that align with short-term fiscal constraints; and (d) create a South-South Economic Diplomacy Initiative that builds collective bargaining coalitions with countries in similar structural positions, specifically targeting reciprocal trade frameworks that reject the asymmetric conditionality of current multilateral arrangements.

For future research, several directions are indicated. Longitudinal quantitative studies examining the relationship between Soemitronomics policy adoption and economic sovereignty indicators—import dependency ratios, domestic value-added shares, technology transfer rates, and Gini coefficients—would provide empirical validation of the normative framework advanced here. Comparative studies examining how other post-colonial nations with strong philosophical-normative foundations (India's Gandhian economics, Tanzania's Ujamaa, South Korea's developmental state) have navigated similar structural challenges would provide useful benchmarks. Finally, technical computer science research on the design of value-driven AI systems incorporating Pancasila Computational Epistemology—particularly the Human-in-the-loop implementation of deliberative democratic principles in automated economic decision systems—represents a frontier that bridges the social scientific and technical dimensions of this study's findings.

Synthesis: Pancasila As Compass, Soemitronomics As Map

At this juncture, a synthesis of the three main references of this study can be formulated. The axiology of Pancasila provides the compass of values: it determines what is right, what is good, and what should constitute the goal of Indonesia's economic development. Soemitronomics provides the strategic map: it translates those values into concrete policies implementable within a real geo-economic context. The geo-economic map of Design Thinking (2026) provides the situational diagnosis: it identifies who the adversaries are, how powerful they are, and through what mechanisms domination operates [1][3][7].

The Rawlsian framework complements this synthesis by providing universal philosophical legitimacy for policy choices that favor the most vulnerable groups. Rawls' veil of ignorance states: if we do not know our position in society, we will choose a system that protects the weakest [10]. This is precisely what Sila V of Pancasila articulates. And this is what constitutes the normative foundation of Soemitronomics.

What makes this synthesis urgent today is the intensity of the threat. Three poles of hegemony totaling 165 trillion USD cannot be countered with half-hearted economic policies, least of all those premised on submission to the logic of the free market. As documented in Soemitro's intellectual legacy: 'Indonesia is a country vulnerable to economic and political sovereignty because it betrays the foundation and vision of the 1945 economic constitution' [3]. This is simultaneously a painful critique and a clear mandate.

CONCLUSIONS AND RECOMMENDATIONS

This article has demonstrated that Indonesia's economic defense strategy against the three poles of global hegemony—Sovereign Power, Transcapital Power, and Technology Power—cannot be constructed without a solid normative foundation. The axiology of Pancasila provides that foundation. The five principles are not merely items to memorize but a value system that directly determines the direction and objectives of economic policy.

Economic sovereignty in the 21st century is increasingly determined by who controls the 'Digital Logic.' Pancasila must therefore serve not only as a moral foundation in the physical world but as the 'source code' of the national digital ecosystem—an axiological operating system that ensures technology functions as a Capability Multiplier in service of social justice rather than an instrument of new administrative colonization [13][15].

Soemitronomics translates the axiology of Pancasila into seven concrete and measurable policy pillars: the state as architect; industrialization as national dignity; domestic capital formation; selective integration; Indonesia Incorporated; cooperatives as economic democracy; and technological sovereignty. These seven pillars are not a historical legacy to be archived—they are a blueprint that must be urgently activated in response to a geopolitical configuration that Soemitro diagnosed with remarkable prescience.

President Prabowo's programs—Free Nutritious Meals and the Red and White Village Cooperative—demonstrate that the Soemitronomics legacy remains alive in contemporary policy. However, both must be understood not merely as social programs but as components of a larger, more comprehensive

economic sovereignty strategy—one that must be built systematically, maintained consistently across electoral cycles, and anchored firmly in the constitutional mandate of Article 33.

Amid the hegemony of 78 trillion in capital and 6 trillion dollars in technology that surrounds Indonesia, the nation cannot survive solely on military defense budgets. What is needed is the sovereignty of values — and Pancasila, read through the Soemitronomics lens and operationalized in bold, systematic policies, is the most strategic instrument this nation possesses: not merely to survive, but to lead.

FURTHER STUDY

This study still has limitations, so further research on Indonesian Economic Sovereignty: Soemitronomics and the Axiology of Pancasila as Strategies to Face Global Hegemony is needed to refine this study and enhance the insights of readers and the authors.

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