

MACROECONOMIC RISK AND GROWTH IN THE SOUTHEAST ASIAN COUNTRIES

Insight from Indonesia

Edited by William A. Barnett
and Bruno S. Sergi

INTERNATIONAL SYMPOSIA IN
ECONOMIC THEORY AND ECONOMETRICS

VOLUME 33A

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ASIAN COUNTRIES

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AND ECONOMETRICS VOLUME 33A

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RISK AND GROWTH IN
THE SOUTHEAST ASIAN
COUNTRIES: INSIGHT
FROM INDONESIA**

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CONTENTS

<i>List of Figures and Tables</i>	vii
<i>About the Editors</i>	xi
<i>About the Contributors</i>	xiii
<i>Preface</i>	xix
Chapter 1 Business-specific Risks and Stock Market Volatility as Indonesian Macroeconomic Risk Estimators <i>Ezra Valentino Purba and Zaäfri Ananto Husodo</i>	1
Chapter 2 The Impact of Financial Literacy on Sustainability of Small Businesses: Government Policy Perspective <i>Kusdi Raharjo, Saparila Worokinasih and Nur Imamah</i>	19
Chapter 3 Real Earnings Management in Family Firms in Indonesia <i>Reny Damayanti Safitri, Tastaftiyan Risfandy, Inas Nurfadia Putri and Rizky Yudaruddin</i>	35
Chapter 4 How Bank Market Power and Diversification Affect Bank Stability? Evidence From Indonesia <i>Diyana Lestari, Andi Nurhikmah Daeng Cora and Edwin Arojado Balila</i>	47
Chapter 5 Chasing Daily Return of Socially Responsible Portfolio: Evidence From Indonesian Stock Exchange <i>Alyta Shabrina Zusryn, Muhammad Rofi and Rizqi Umar Al Hashfi</i>	61
Chapter 6 Systemic Risk: The Impact of COVID-19 on the Dual Banking System in Indonesia <i>Muh Rudi Nugroho and Akhmad Syakir Kurnia</i>	83
Chapter 7 Assessing the Impact of the Lockdown in Jakarta on the Economy: An Input–Output Approach <i>Achmad Rifa'i</i>	93

Chapter 8 The Implementation of Financial Inclusion for Indonesian Migrant Workers Post-placement (Best Practice of Permanent Income Life Cycle Hypothesis) <i>Nurul Istiqomah and Izza Mafruhah</i>	107
Chapter 9 Profitability and Firm Value: The Role of Industry Competition, Market Value of Equity, and Debt Levels <i>Dany Adi Saputra and Doddy Setiawan</i>	127
Chapter 10 The Effect of Moral Global Leadership Moderation on the Relationship Between Achievement Motivation, Smart Work, and Performance <i>Rahman El Junusi, Heru Sulisty, Fadjar Setiyo Anggraeni and Ferry Khusnul Mubarak</i>	141
Chapter 11 Testing the Discriminant Validity and Heterotrait–Monotrait Ratio of Correlation (HTMT): A Case in Indonesian SMEs <i>Yong Dirgiatmo</i>	157
Chapter 12 Generalist CEO and Firm Performance: Evidence From Indonesia <i>Diyah Kusuma Wardhani, Tastaftiyan Risfandy, Yunieta Anny Nainggolan and Bowo Setiyono</i>	171
<i>Index</i>	181

LIST OF FIGURES AND TABLES

Figures

Chapter 2

<i>Fig. 1.</i>	Structural Model (<i>Inner</i>).	28
<i>Fig. 2.</i>	Measurement Model (<i>Outer</i>).	30

Chapter 5

<i>Graph 1.</i>	Robustness Check: Alpha Values of the 4FFC and 5FF Over the Quarter.	77
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Chapter 6

<i>Fig. 1.</i>	Estimation Results of VaR and CoVaR for ICBs and CCBs.	89
<i>Fig. 2.</i>	Estimation Results of VaR and CoVaR Banking System.	90

Chapter 7

<i>Fig. 1.</i>	Share of Regional Economy to the National Economy (%).	95
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Chapter 8

<i>Fig. 1.</i>	Formulation of Consumption Pattern (Mafruhah, Waridin, Iskandar, & Thohir, 2019a).	111
<i>Fig. 2.</i>	Life Cycle Income Hypothesis (2019a).	112
<i>Fig. 3.</i>	Relationship Patterns of Remittance, Entrepreneur, and Human Capital.	114
<i>Fig. 4.</i>	Map of Influence and Dependences Between Actors.	122
<i>Fig. 5.</i>	Convergences Between Actors in Order 3.	122
<i>Fig. 6.</i>	Convergence Between Actors in the Order 3.	123

Chapter 10

<i>Fig. 1.</i>	Research Model.	146
<i>Fig. 2.</i>	Results Research Model.	150

Tables

Chapter 1

<i>Table 1.</i>	Descriptive Statistics Results.	11
<i>Table 2.</i>	Regression Results.	12
<i>Table 3.</i>	Cross-sectional Risk Regression Results Against Economic Indicators.	14

Chapter 2

<i>Table 1.</i>	Research Variables.	25
<i>Table 2.</i>	Reliability and Convergent Validity.	26
<i>Table 3.</i>	Coefficient of Determination Value (R^2).	29
<i>Table 4.</i>	Size Influence (f^2).	29
<i>Table 5.</i>	Hypothesis Test Results.	29

Chapter 3

<i>Table 1.</i>	Descriptive Statistics.	40
<i>Table 2.</i>	Correlation Matrix.	41
<i>Table 3.</i>	Variance Inflation Factors.	41
<i>Table 4.</i>	Regression Results With Robust Standard Error.	44

Chapter 4

<i>Table 1.</i>	Statistic Descriptive.	53
<i>Table 2.</i>	Correlation Matrix.	54
<i>Table 3.</i>	Market Power and Diversification on Stability.	55
<i>Table 4.</i>	Market Power and Diversification – Alternative Measurement.	56

Chapter 5

<i>Table 1.</i>	Data Description.	67
<i>Table 2.</i>	Pre-matching Probit Regression.	68
<i>Table 3.</i>	Post-matching Probit Regression.	69
<i>Table 4.</i>	Portfolio Descriptions.	69
<i>Table 5.</i>	Portfolio Forming for 4FFC Model.	71
<i>Table 6.</i>	Portfolio Forming for 5FF Model.	71
<i>Table 7.</i>	Descriptive Statistics, Sharpe Ratio, Unit Root Test, and ARCH-LM Test.	73
<i>Table 8.</i>	The Result of the 4FFC Estimation.	74
<i>Table 9.</i>	The Result of the 5FF Estimation.	75
<i>Table 10.</i>	The Result of the Fama–MacBeth Regression.	76
<i>Table 11.</i>	Descriptive Statistics for Quarterly Alpha.	77
<i>Table 12.</i>	Robustness Check: Fama–MacBeth Regression Over the Quarter.	78

Chapter 6

<i>Table 1.</i>	Individual Risk and Banking Systemic Risk.	88
<i>Table 2.</i>	Risk Contribution to Banking System.	88

Chapter 7

<i>Table 1.</i>	Simplification of IO Table.	96
<i>Table 2.</i>	Activity Restriction on Certain Sectors in 2020.	98
<i>Table 3.</i>	The Impact of PSBB Policy on the Jakarta’s Economy.	100
<i>Table 4.</i>	The Impact of PSBB Policy in Jakarta on the Aggregate National Sectors.	102
<i>Table 5.</i>	The Impact of PSBB Policy in Jakarta on the Other Provinces.	103

Chapter 8

<i>Table 1.</i>	Amount of Remittances 2013–2019.	109
<i>Table 2.</i>	Saving Regression Result.	117
<i>Table 3.</i>	Remittance Regression Result.	119

Chapter 9

<i>Table 1.</i>	Variable Measures.	131
<i>Table 2.</i>	Descriptive Statistics.	133
<i>Table 3.</i>	Results of Regression of the Role of IC Level in Explaining the Relationship Between Profitability and FV.	134
<i>Table 4.</i>	Regression Results of the Role of MVE in Explaining the Relationship Between Profitability and FV.	134
<i>Table 5.</i>	DAR Regression Results in Explaining the Relationship Between Profitability and FV.	135
<i>Table 6.</i>	Regression Results of the Role of IC Level, MVE, and DAR in Explaining the Relationship Between Profitability and FV.	136
<i>Table 7.</i>	Regression Results of the Role of IC Level, MVE, and DAR in Explaining the Relationship Between Profitability and FV for a Subsample of Profitable Companies (297 Observations).	136

Chapter 10

<i>Table 1.</i>	Description of Respondents.	147
<i>Table 2.</i>	Research Constructs/Variable and Indicator.	148
<i>Table 3.</i>	Mean, Standard Deviation, and Correlation.	149
<i>Table 4.</i>	Results for Outer Model and Combined Loading and Cross-loading.	149
<i>Table 5.</i>	Composite Reliability and <i>R</i> -square.	150
<i>Table 6.</i>	PLS Results.	151

Chapter 11

<i>Table 1.</i>	Fornell & Larcker's Criterion.	161
<i>Table 2.</i>	Cross-loadings Criterion.	163
<i>Table 3.</i>	HTMT 0.85 Criterion.	166
<i>Table 4.</i>	HTMT _{Inference} (Bootstrapping With 5,000 Subsamples).	167

Chapter 12

<i>Table 1.</i>	Descriptive Statistics.	176
<i>Table 2.</i>	Correlation Matrix.	176
<i>Table 3.</i>	The Impact of Generalist CEO on Firm Performance.	177

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PREFACE

The world's economic condition after suffering the COVID-19 pandemic has transformed dramatically by several challenges that affected numerous aspects. These potential issues include volatility in stock prices, labor markets, financial development, financial market risk, etc. Although the economy in various countries around the world is now developing for the better, the presence of problems such as geopolitical tensions and economic uncertainty still increases the probability of the emergence of a macroeconomic risk for certain countries.

The volume provides contemporary issues in the field of finance and economy in Indonesia and some Southeast ASEAN countries. These concentration areas, emerging markets, offer a unique setting that differs from those countries in developed markets, such as the domination of institutional and family-owned and the significant contribution of small businesses to economic growth. As a result, it is interesting to see the economic viability and risk with these background countries. This volume covers these topics and is represented in several papers written by authors from multiple countries. In Indonesia, a paper on this issue finds that business risk and asymmetric information significantly affected the increase of friction, while the stability of the economy reduced the friction. Another paper in this issue finds that business risk is associated with the instability in stock price that can cause the firm's financial stability.

Firms in emerging countries are also often difficult to sustain because of the lack of risk assessment practice. Hence, this volume contains a discussion regarding risk reporting and disclosure practices, and it will bring a new finding in the accounting practice in emerging economies. Also, a paper will propose a new method for evaluating the risk of investing in the stock portfolio that could be applied to investment data interest and decision-making, which is considered essential for business in the long term. Macroeconomic risks are also inseparable from the social context in the country. Thus, a paper in this book presents labor force, migrant workers, and gender equality, which are important to be discussed in this topic.

Apart from several aforementioned new issues in finance and economics, some classical issues such as systemic risk, bank stability, and profitability also be covered in this volume because those topics are never absolute to be discussed, particularly in the context of macroeconomics risk. All the paper's findings will enrich the evidence and literature on economic growth, economic risk, and others. These findings would be immensely beneficial for stakeholders, governments, policy-makers, and the people within the sector under financial risk, economic analysts, and others in order to tackle similar problems regarding the macroeconomics risk from the fundamentals.