

# Review of: "Political Economy and Ecology of International Regional Development: Indonesia Urban and Rural Development Loans from the Asian Development Bank (ADB)"

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The topic proposed by the researchers in this study is very interesting because it looks at the political and economic impacts of debt loans withdrawn by the Government, especially those from the ADB. Theoretical studies by deconstructing the basic economic theory of exogenous growth development (EXGT) and the theory of the savings and investment gap (SIGT) in existing findings and reconstructing these theories and applying them in this paper make this research more interesting. The analytical tools used in this study are relevant to the observed variables, but it should be noted that the time period of observation has not been explicitly stated because it was only mentioned starting in 1969. The findings from this study are also very interesting and are considered relevant to the actual conditions in the field where the Government did not need to withdraw debt and look for alternative financing from within the country. However, for the record, foreign debt is still needed in the composition of the Government's debt to avoid gap savings and cover the scarcity of domestic development funds, import financing to strengthen domestic foreign exchange reserves. In Rostow's theory it is stated that if a country wants to be in the take-off stage, then the stage towards maturity there is an institutional framework that will facilitate the development of other sectors outside the main sectors and aims for economic modernization (Abraham, 1991). The results of these findings can be connected with the "three gap model" theory:

- (1) Domestic investment costs are greater than national savings ( $I > S$ );
- (2) The export value is less than the import value ( $X < M$ );
- (3) Government spending is greater than tax revenue ( $G > T$ ).

Overall this paper is recommended to be accepted but with minor revisions.