



## RESEARCH ARTICLE

## Middle East Conflict and Its Implications on the Indonesian Economy

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### ABSTRACT

Study This to study Middle East conflict and its implications to Indonesian economy. The Middle East conflict, which involves various countries and non-state actors, have in progress during a number of decades and have significant impact to stability global politics and economics. Focus main study This is How conflict the affecting Indonesia, a country with connected economy globally and dependence on imports oil from the Middle East. Research This use method qualitative with approach descriptive-analytical, combining primary data from international seminars about conflict east middle and its implications towards Indonesia by Fisip Uhamka and secondary data from various source like report economy, BPS data and journals scientific reputable. Research result show that Middle East conflict impacts direct and indirect direct to Indonesian economy. Impact direct especially related with fluctuation price global oil impact cost production and inflation in Indonesia. In addition, instability politics in the region it is also disturbing current trade and investment, as well as cause uncertainty more economy wide. Impact No direct seen from change global capital flows and decline investor confidence in market stability. Research this also found that Indonesia's dependence on imports oil make economy domestic prone to to turmoil price and supply global oil. As step mitigation, research This recommend diversification source energy, increase efficiency energy, and strengthening cooperation economy with other countries outside Middle East region. In addition, the Indonesian government needs to strengthen policy fiscal and monetary For dampen impact fluctuation price oil as well as minimize uncertainty economy.

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## INTRODUCTION

The conflict in the Middle East has be one of the most complex and protracted global issue in a number of decade last . This area become center world attention because conflict involving various interest politics , ethnicity and religion are interrelated overlapping overlap (Snoubar, 2019) . From conflict between Israel and Palestine, war brothers in Syria, tensions in Yemen, to upheaval politics in Iraq and Libya, all This reflect complexity dynamics politics and interests geopolitics in the region ( Pratiwi et al., 2022) .

Impact from conflict This No only felt in a way local , but also affects global stability , especially in context security energy and the global economy . The Middle East is one of the producer main world oil and routes strategic for trading international , so that tensions in the region can trigger fluctuation price significant and influential oil stability economy globa (Chaziza, 2024) . This region , which is rich in source Power natural specifically oil earth , often becomes center world attention because tension politics , conflict armed , and dynamics geopolitics that continue changed (RH Solehudin, 2024) . Various conflicts that occur in countries such as Iraq , Syria, Yemen and Libya do

not only impact on regional stability, but also has implications wide to global economy (Daw, 2021); (Segev, 2014); (Morakabati, 2012).

Indonesia, as a developing country with integrated economy in system global economy, no let go from impact conflicts that occurred in the Middle East (Nasution et al., 2020). Indonesia's dependence on imports oil and gas from area mentioned, as well as involvement in trading international, making conflict in the Middle East as significant factors in influence condition economy national (Fellicia & Widjaja, 2023). Fluctuations price world oil, change flow investment, as well as global market uncertainty is a number of the impact that must be faced by the Indonesian economy. In addition, the uncertainty politics in the Middle East also affects current investment foreign directly (Foreign Direct Investment) to Indonesia. Investors tend to be careful in face the global situation is not stable, which in turn can influence growth Indonesian economy (Firdaus & Yani, 2021). Not only that, change dynamics trading international consequence conflict this also has potential bother chain supply and influence sectors economy important in Indonesia (Dandy & Azmansyah, 2021).

In addition, the sector energy is very vulnerable to tension geopolitics in the Middle East. this area is center important production global oil, and every escalation conflict can cause fluctuation price significant oil, which has an impact on economies worldwide (Cuñado et al., 2019).

There is conflict in the Middle East global impact, impact on dynamics economies around the world (Gupta et al., 2018). For example, the Russia- Ukraine conflict potential slow down growth global economy, so that cause surge price commodities and energy, so that impact on various economy, including Indonesia (Syahitaria, 2022). The interconnected nature of the global economy connected cause conflict in the region like the Middle East can impact wide (Syahitaria, 2022). As a developing country, not escape from implications conflict in the Middle East against its economy (Setiawati, 2024).

A number of study has discuss Conflict in the Middle East Sørli et al (2005) found that development economy and growth economy can reduce possibility conflict. However, the challenges conflict in the region still complex and requires understanding deep (Sørli et al., 2005).

A study by Solingen (2007) discussed about permissive and catalytic conditions that explain the emergence of the Pax Asiatica and Bella Levantina models, as well as the implications to regional conflict. Implications from these models can influence stability politics and economics in the region, incl potential the impact towards countries like Indonesia (Solingen, 2007). On the other hand, Masa'Deh et al. Masa'deh et al (2018) highlighted influence promotion in situation crisis politics and economics in the Middle East against hotel performance. Although focus on the sector tourism, study This give description about How conflict in the Middle East can influence sector economy certain and finally impact on the economy of the countries concerned (Masa'deh et al., 2018). In addition, research by Setiawati (2024) discusses Indonesia's role in settlement conflict in the Middle East. Indonesia's involvement in this regional diplomacy No only based on Islamic solidarity and identity as a developing country, but also has implications direct to bilateral relations and stability Indonesian economy (Setiawati, 2024).

A study by Fareed et al (2021) discussed role diversification exports and energy renewable in increase factor capacity burden in Indonesia. Findings from study This give outlook important related sustainability environment and needs will indicator comprehensive ecological (Fareed et al., 2021). In addition, research by Shahzad et al. (2021) highlighted connection between diversification product export and demand energy, giving implications useful policies for the economy is in progress develop such as Indonesia (Shahzad et al., 2021). On the other hand, in context diversification energy, a study by Hersaputri (2024) discusses importance reduce dependence on materials burn fossils and exploring track transition equitable energy in Indonesia (Hersaputri et al., 2024). Diversification energy is also related with investment in energy renewable, as highlighted by (Arengga et al., 2018) in management energy renewable.

However, dependence area to source Power energy and instability price and supply consequence regional unrest caused challenge big, which has an impact on the economy regional and global (Karakır, 2022). Involvement strength external in Middle East conflict escalates increase tension and insecurity in the region the (Geburu et al., 2023)

In the Indonesian context, diversification energy become crucial For reduce this country's dependence on raw materials burn fossils and increase sustainability energy in a way Overall, Indonesia, as one of the countries with source Power abundant nature, has potential big For develop source energy renewable like power solar, wind, hydro, and biomass. This step No only will help reduce greenhouse gas emissions glass and impact negative to environment, but also reduces risk emerging economy from fluctuation price world oil (RH Solehudin, 2023). In addition, diversification energy will increase resilience energy national with expand portfolio diverse energy, ensuring supply stable energy, and guarantees access affordable energy for all over society. This effort in line with Indonesia's global commitment to reduce impact change climate and achieve objective development sustainable in term length (RH Solehudin et al., 2023).

The role of the Indonesian government in settlement the conflict in the Middle East has become material study with focus on consistency diplomacy or change strategically. Solidarity in the countries of the South is suspected as one of the factor affecting Indonesia's approach to settlement conflict in the Middle East. Factors like characteristics of neighboring countries, economy politics, heritage history, climate, and access to source Power nature is very important in understand level severity conflict in the Middle East and Africa (Parent & Zouache, 2022). Factors like characteristics of neighboring countries, economy politics, heritage history, and access to source Power nature is very important in understand level severity conflict in the Middle East and Africa (Pratama, 2015).

Indonesia's diplomatic efforts in mediate conflict humanity, such as in Myanmar, is analyzed use method study descriptive qualitative For analyze problem in a way empirical (Sundari et al., 2021). In addition, Indonesia's assistance in Handling refugees international from countries affected by conflict has studied through review literature systematic with use approach descriptive qualitative (Sukma et al., 2021). The importance of interest national and Indonesian diplomacy in finish the Rohingya conflict has highlighted, emphasized use diplomacy free and active in policy abroad Indonesia for reach interest national (Matthew, 2020). More continue, influence conflict Sunni-Shia ideology against bilateral relations between Saudi Arabia and Iran in the Middle East have discussed, so that to clarify difference ideology between both countries (Utami, 2022).

Study This aiming For analyze in a way deep How conflict in the Middle East affects the Indonesian economy, with focus specifically on impact direct and indirect directly arising from instability politics and economics in the region In addition, the research This will to study response policy Indonesian government against situation this, including evaluation policy abroad and the diplomatic strategies implemented For protect interest national. Research this will also identify steps strategic that can taken by the government and the sector private For mitigate impact negative conflict the to the Indonesian economy, as well as utilise possible opportunities appear, such as diversification of export markets and increase Work The same economy with relatively countries stable in the Middle East region. Analysis This aiming For give recommendations that can strengthen resilience Indonesian economy in face global turmoil.

## RESEARCH METHODOLOGY

Study This use method qualitative with approach descriptive-analytical, combining primary data obtained from international seminar about Middle East conflict and its implications towards Indonesia organized by the Faculty Social Sciences and Science Politics (Fisip) University of Muhammadiyah Prof. Dr. HAMKA (Uhamka). The seminar display source person main such as the Ambassador of the Republic of Indonesia to Libya, Dr. H. Hajriyanto Y. Tohari, and Postgraduate Lecturer Uhamka, Dr. Rd. Heri Solehudin, MM. This primary data equipped with secondary data taken from various source trusted, including report economics, journal academic, and news latest. Combination of primary and secondary data This used For give analysis deep about dynamics

conflict in the Middle East and how conflict the impact to condition politics , economy and social in Indonesia, with focus specifically on how policy foreign affairs and Indonesian diplomacy responds development said . With merge various this data source , research This try For serve holistic and in - depth analysis about How Middle East conflict affects the Indonesian economy , as well as give recommendation policies that can taken For overcome impact the.

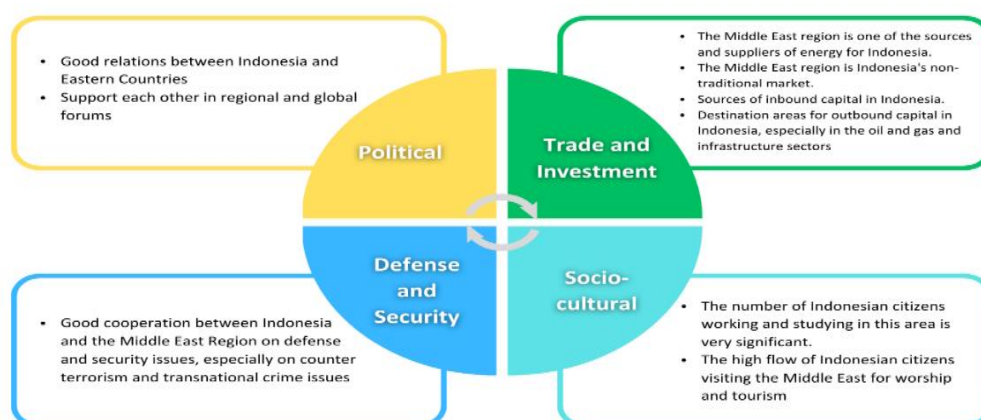
**RESULTS AND DISCUSSION**

In terms of economy , the Red Sea and the Strait of Hormuz are track very important strategic For guarded , remembering dozens thousand boat oil and cargo crossing these two areas every day . Presence ships This No only vital for trading international but also for supply global energy in general overall . However , the escalation the conflict in the Middle East, in particular between Iran and Israel, has potential For bother stability track this (Firdaus & Yani, 2021) .

Ministry of Energy and Mineral Resources (ESDM) highlighted that tensions in the Middle East could cause increase domestic fuel prices ( BBM ) . This is due to two reasons main : first , the Strait of Hormuz is track Then cross main for export oil from the Gulf states , including Iran, and the threat to safety on the track This can bother global supply and drive price world oil prices rise ( Andriansyah , 2024) . Second , the price more oil tall will direct impact on costs Indonesia's fuel imports , considering that this country Still depend on imports For fulfil part big need its energy .

China at the moment This become importer oil earth the largest in the world. Therefore that , if happen change price oil earth in the global market that affects China, the impact will felt on the balance sheet trading international . This is happen because China has role important in trading various commodity the main thing that is really needed by many countries in the world (BUDIAWAN SIDIK A, 2023) . Therefore that , trend increase price world oil continues increase since the rupture Israel-Hamas conflict on October 7, 2023 is necessary get attention , especially for importing countries like Indonesia. This is important , especially If increase price the lasts long and exceeds Oil Price Estimate Indonesian Crude (ICP) which has projected . In the Budget State Revenue and Expenditure (APBN) 2023, ICP is estimated around 90 US dollars per barrel . The increase price excess oil estimate This must Keep going monitored and anticipated so as not to burdensome state finances in general significant (BUDIAWAN SIDIK A, 2023) .

In context this , the Indonesian government needs to increase alertness and readiness face fluctuation price global oil that can triggered by tensions in the Middle East (Hajriyanto Y. Tohari, 2024) . The steps proactive mitigation , such as diversification source energy and enhancement backup strategic BBM, become the more important For guard stability price domestically and reduce vulnerability to international market turmoil that is not unexpected .



**Figure 1. Graph Indonesia's relations with eastern countries middle**

In terms of politics, Indonesia which adheres to policy abroad free active own an important role in situation conflict as is the case in the Middle East. Policy This demand Indonesia to No only maintain its neutrality, but also to active play a role as a mediator and intermediary conflict between the parties involved. As a country with tradition strong diplomacy and experience in mediation regional conflicts and internationally, Indonesia has potential For give contribution significant in create peace and stability in the affected areas impact conflicts, such as the Middle East (Can Ergün, 2024).

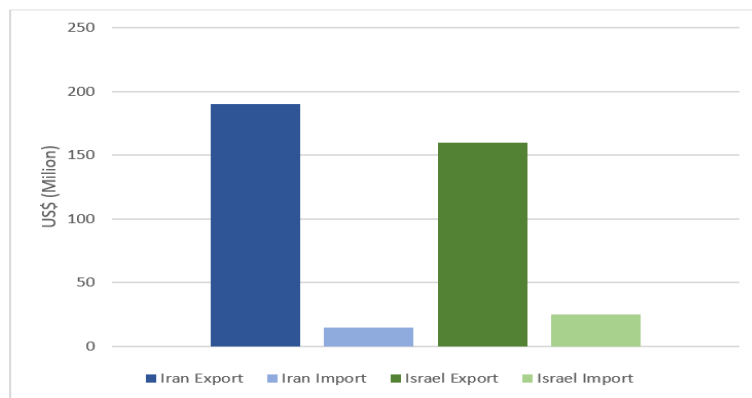


Figure 2: Graph Indonesia-Iran-Israel trade 2023

In 2023, the value Indonesia's exports to Israel reached approximately US\$165.77 million, with commodity main in the form of fat and oil animals / plants, footwear, and machinery and equipment electric. On the other hand, the value import from Israel only reached US\$21.93 million, with commodity main in the form of machinery and equipment mechanics, tools and equipment from metal No noble, and machinery and equipment electric.

In context security, the Indonesian government has not quite enough answer main For protect safety inhabitant his country from potential threats that can arise from the countries involved in conflict in the Middle East (Prabowo et al., 2022). Although Indonesia is not part direct from conflict said, however the impact to global stability and regional security are not Can ignored. Therefore that, keep vigilance and strengthening security domestically become priority main in face dynamics complex global politics and security (Hajriyanto Y. Tohari, 2024).

Safety citizens also become focus main in policy abroad Indonesia, which emphasizes importance global peace and security as runway for development sustainable national. Indonesia is committed For play a role as strength stabilizer in support settlement peace conflict in the Middle East and encourage dialogue between the parties involved (Hajriyanto Y. Tohari, 2024). In this case this, policy abroad free active No only become moral foundation, but also a tool strategic For ensure that Indonesia can contribute in a way positive in create global peace and maintaining interest national as well as welfare inhabitant his country (Hajriyanto Y. Tohari, 2024).

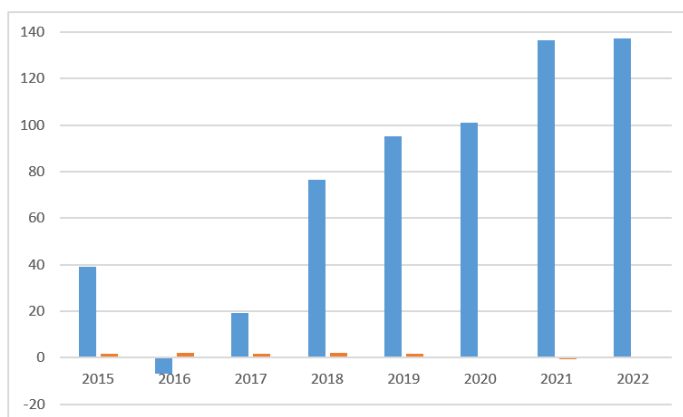


Figure 3: Graph balance sheet trading Indonesia-Palestine and Israel

According to data from the Central Statistics Agency (BPS), it shows a better picture Details about import products from Palestine by Indonesia. During In October , the total value of Indonesia's imports from Palestine was recorded only of US\$ 4,256, or equivalent with around Rp. 65,921,184 if use exchange rate of Rp. 15,489 per US dollar . Although number This relatively small compared to with Indonesia's total imports in general overall , imported products from Palestine includes various type goods like rugs , plastic and goods from plastic , and books and goods print (Tubiello et al., 2015) .

Request to product rug from Palestine shows continuing interest from the Indonesian market to product craft a well-known Palestinian specialty with quality and beauty the motive . In addition , imports plastic and goods from plastic also shows that Indonesia imports goods beneficial consumption from Palestine. Although in amount small , import books and goods mold from Palestine shows diversity in source power that Indonesia imports from the region .

It must be admitted that open tap export to the Middle East region is not as easy as reverse palm hand . Indonesia as a country that wants to market the product there is faced with several significant challenges . In addition to the product must own Power competition high and halal certified , relationship trade is also hampered by customs duties entry applied in the area which is often very high . The policy protectionist and regulatory complex trade in several Middle Eastern countries makes market access becomes difficult for product from outside area . In the context of this is a marketing strategy and adaptation the right product become key For succeed entering this market , while still notice policy trade and applicable local norms .

## DISCUSSION

Conflicts in the Middle East often cause fluctuation price significant world oil . Instability politics and security in a region rich in backup oil This cause disturbance in production and distribution oil , which then push price global oil price rises. The rise price oil This own impact straight to the cost import energy in Indonesia, a country that is still very dependent on imports oil For fulfil need its energy . When the price world oil prices increase , Indonesia must pay more For import oil , which causes cost energy domestically rose. This is Then translated to in pressure inflation domestic Because price goods and services that depend on energy also increased. In addition , the increase cost energy enlarge cost production for materials - dependent industries burn fossils , such as transportation , manufacturing , and power generation electricity . Cost more production tall This often forwarded to consumer in form price more goods and services high , which makes it worse inflation and reduce Power buy society . As a result , the economy national face challenge big in maintain stability price and maintain growth economy in the middle fluctuation price global oil shortages caused by the conflict in the Middle East.

When the price world oil prices are increasing , the impact is very much felt in Indonesia. The increase price oil will cause improvement cost import Indonesian oil , which is further impact on increasing cost energy domestic . Increase cost energy This Then will reflected in the pressure inflation domestic because price goods and services that depend on energy will also increased . As a country that relies on imports oil , Indonesia is vulnerable to fluctuation price global oil prices triggered by the conflict in the Middle East (Bala & Lee, 2018) .

In addition , the increase cost energy will also influence cost production industries that use material burn fossils , such as sector transportation , manufacturing , and power generation electricity . Cost more production tall This often charged to consumer in form price more goods and services high , so in the end to aggravate inflation and lower Power buy society . Therefore that , the increase price world oil can give challenge Serious for Indonesian economy in guard stability price and growth economy in the middle fluctuation price world oil prices triggered by the conflict in the Middle East (Hooker, 1999) .

For mitigate impact negative increase price oil , Indonesia needs consider steps strategic . One of them is reduce dependence to oil as source energy main and switch to source energy renewable . Diversification source energy will help reduce vulnerability to fluctuation price world oil and

strengthen resilience energy country. In addition, the policy Proper monetary and fiscal policies are also needed For control inflation and maintaining stability economy in face fluctuation price global oil (Long & Liang, 2018).

In a global context, the increase price world oil can also impact on the sector other economies in Indonesia. For example, the stock market sector can be affected by fluctuations price oil. Because change price oil can influence performance companies listed on the stock exchange. Therefore that's important for capital market players for understand connection between price global oil and stock market performance in manage risk his investment (Sa'ad et al., 2023).

Uncertainty geopolitical factors caused by the conflict in the Middle East reduce global investor confidence, which has an impact straight to the stream investment foreign Foreign Direct Investment (FDI) to Indonesia. Research This find that during period tension high in the Middle East, investment foreign to Indonesia experienced significant decline. Conflict and instability politics in the region the making global investors worried about greater risk height and potential disturbance economy, so that they tend divert their funds to the markets that are considered more stable and safe (Niu & Li, 2020). Conditions This No only reduce amount incoming investment to Indonesia, but also hinders potential growth economy national, considering investment foreign play role important in creation field work, technology transfer, and upgrading capacity production. Decrease this FDI flow underline how importance stability geopolitics in attract and retain international investor interest as well as strengthen resilience Indonesian economy towards influence external (Anshari et al., 2017).

The conflict in the Middle East also affects chain global supply, especially in sector energy and logistics, which provides impact significant for countries that depend on imports from area including Indonesia (Setiawati, 2024). As a country that imports part big need energy, Indonesia is facing challenge big in secure supply stable and affordable energy when happen instability in the Middle East. Disturbance in production and distribution oil and natural gas consequence conflict cause fluctuation Price and availability supply energy, which has an impact directly on costs and stability supply energy in Indonesia. In addition, industries that depend on imports material standard from the Middle East, such as petrochemicals and manufacturing, also experienced difficulty in secure consistent supply, which results in improvement cost production and potential decline productivity.

One of the most real threat from the escalating Hamas-Israel conflict heating up is soaring price oil raw world. Conflict This potential bother stability supply global oil because the Middle East region is center main production world oil. Instability in the region This can cause disturbance significant in distribution oil, which then influence global supply and drive price oil raw up.

In context Geographically, the conflict in the Middle East has significant impact, especially related supply oil from producing countries main such as Saudi Arabia, Iran, and Iraq. Tensions in the region This can bother production or distribution oil, which is then influence the global market through increase price oil. Middle Eastern countries are exporter main thing that meets part big need world oil, so that disturbance supply oil from area can trigger response fast from the global market and impact the global economy as a whole. overall (Kenneth Ifeanyi Ibekwe et al., 2024).

Instability in the Middle East could also cause change significant on price energy, which ultimately can influence performance global economy. Increasing price energy in the United States, plus with issue global warming, has renew interest to connection between price energy and performance economy (Kilian, 2008). In addition, the conflict in the Middle East also caused emergence threat global health consequences the ongoing war ongoing and disrupted system service health in the area (Raad et al., 2018).

Remember closely connection between conflict in the Middle East and supply global energy, then important For understand How factor geopolitics, economics and security play a role in guard security supply energy, in particular oil. Countries like China and India, which are importer oil main, necessary consider risk supply oil from the Middle East and strive diversify source they For

reduce vulnerability to disturbance supply (Qi et al., 2021) . Therefore that , the conflict in the Middle East is not only impact local but also has a global impact through instability supply energy , in particular oil . Efforts to understand dynamics conflict in the region and managing risk related supply energy is very important in guard stability global economy .

Spike price oil raw will give pressure addition to import - dependent countries oil , such as Indonesia. These countries must allocate more Lots budget For import oil , which can result in deficit balance sheet trade and improvement burden fiscal . In addition , the price more oil tall can trigger inflation , because cost transportation and production other energy - dependent goods will also increase .

Apart from the impact economy direct , increase price oil consequence conflict this can also influence policy energy in various countries. Many countries may speed up effort diversification source energy them and improve investment in energy renewable For reduce dependence on oil import . With Thus , the Hamas-Israel conflict does not only impact on prices oil raw moment this , but also can trigger change term long in policy global energy . Situation This add burden on the economy national and forceful government as well as sector private For look for alternative supply and mitigation strategies greater risk effective .

Indonesia's geostrategy is in the middle dynamics development global and regional politics , which requires ability For anticipate various possibility negative that can threatening and dangerous interest national . As an archipelagic country the largest in the world with location Strategically located at the crossroads of two oceans , Indonesia has challenge alone in guard stability and security its territory . Dynamics global politics , such as competition strength big , regional conflicts , and changes policy overseas big countries , can impact straight to stability Indonesian politics and economy (RH Solehudin, 2024) .

In addition , the dynamics regional politics , including tensions in the Southeast Asia region and beyond , as well effort hegemony in the Indian and Pacific Oceans , also influences security and stability in the Indonesian region. Threats like conflict armed , terrorism , robbery sea , and problems security transnational other need responded to with seriously by the government and authorities security , for protect interest national as well as ensure sovereignty and territorial integrity of Indonesia.

In facing the complexity this , Indonesia must maintain policy active and balanced foreign relations , establishing Work regional and international which are mutually supportive profitable , as well as strengthen ability in diplomacy preventive and remedial conflict . In addition , efforts in field defense , security maritime , and enforcement law need improved For face possible threats arise from development global and regional politics that are not stable . With Thus , Indonesia can strengthen position as regional powers at play active in push peace , stability , and prosperity in Southeast Asia and beyond.

Indonesian government has take various step For respond impact negative from conflict in the Middle East, with implement policy diversification source energy , increase backup strategic oil , and push production energy domestic . Steps This aiming For reduce Indonesia's dependence on imports energy from areas that are not stable said , so that increase resilience energy national . Diversification source energy covers development energy renewable like power solar , wind , and bioenergy , while improvement backup strategic oil aiming For provide a stock buffer that can used in situation emergency or fluctuation extreme prices . In addition , the government is also active strengthen connection trade with countries outside the Middle East, looking for partner trade alternative For ensure stability supply and reduce risk emerging economy from dependence on one area certain conditions (Nurhayati et al., 2019) . With effort This , Indonesia is trying build a better economy resilient to turmoil international and ensure growth sustainable economy (Nurjati, 2022 ).

Although conflict in the Middle East has caused Lots challenges , research This also identifies a number of opportunity economy for Indonesia which can utilized For strengthen economy national



. One of the opportunity main is improvement production and export energy alternatives , such as energy renewable , which can in a way significant reduce dependence on oil import . With source Power abundant nature , Indonesia has potential big For develop energy renewable like power solar , wind , and bioenergy , which are not only can fulfil need energy domestic but also open opportunity export new . In addition , the situation geopolitics that are not stable give chance for Indonesia to strengthen position bid in negotiation trading international (H. Solehudin et al., 2024) . With look for partner trade new and diversify export markets , Indonesia can reduce risk economy from dependence on one area and improve Power competition global . Utilization opportunity This No only help overcome impact negative conflict but also encourage growth more economy sustainable and resilient in the future .

The conflict in the Middle East affects Indonesian economy with complex and multidimensional way , requires careful response from government as well as sector private For handle the impact in a way effective . The impact that arises covers fluctuation price oil , disturbance chain supply energy , and uncertainty investment , all of which can threaten stability economy national . However , with implementation steps the right strategy , Indonesia does not only can mitigate impact negative This but also take advantage of opportunities that arise in context dynamic global economy (Maulana & Kartiasih, 2017) . For example , the policy diversification source energy and enhancement production energy domestic can reduce dependence on imports oil , while strengthening connection trade with countries outside the Middle East can help secure supply and open new markets . More Far again , development and export energy renewable No only offer solution term long For resilience energy but also has the potential increase position Indonesia's bargaining chip in negotiation trading international (Suryana et al., 2014) . With Thus , a coordinated and innovative response from government and sector private can help Indonesia overcome challenges faced as well as create opportunity sustainable growth in the midst of dynamics global economy ( Failaq & Nusantara, 2024) .

## CONCLUSION

Dynamics economy politics in the Middle East has impact significant to the economy Indonesian national because various factor affecting stability economy and global markets. Changes price oil , which is often triggered by instability politics in the region said , can direct influence cost energy in Indonesia, considering its dependence on imports oil . In addition , the relationship trade and investment between Indonesia and Middle Eastern countries can affected , good in matter investment enter and export Indonesian commodities . Migration power Indonesia's work in the Middle East is also at risk caught impact from change policy or condition security there, which can influence remittances and stability social economy domestic . On the other hand , Middle Eastern investment in project infrastructure in Indonesia can hampered by regional instability , disrupting development economy nationally . In overall , stability politics and economics in the Middle East play role important in create environment conducive economy or on the contrary , full challenge for Indonesia.

**Ethical approval:** This research has received ethical approval from the ethics commission of the Prof. Dr. HAMKA Muhammadiyah University, Indonesia.

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