GENIUS INSIGHT ECONOMICS : Journal of Digital Business, Finance, and Development Studies, Vol. 01, No. 01, 38-49,

DOI: XXXXXXXXXXXXXXX
Website Journal Gie:
https://geniusinsightindonesia.com/index.php/gie/index

Analysis of National Economic Policy In Supporting The Development of a Sustainable Blue Economy

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Abstract
The blue economy is increasingly viewed as a strategic framework for sustainable maritime development, as it offers an approach that links economic growth, the protection of marine ecosystems, and the equitable distribution of benefits to coastal communities. This study aims to analyse the extent to which Indonesia's national economic policies support the development of a sustainable blue economy, and to examine its implications for economic, ecological and social dimensions. The study employs a qualitative approach with a public policy analysis design. Data sources consist of national policy documents, scientific journal articles, government agency reports, and relevant official secondary data pertaining to the maritime sector and the blue economy. Data were collected through document review and literature review, and subsequently analysed using content analysis and thematic analysis. The research findings indicate that policy support for the blue economy in Indonesia has become increasingly evident in the national development orientation and is reinforced by a regulatory framework, but its implementation remains not fully integrated. In terms of regulation, policy support is relatively available, yet its operationalisation is not fully consistent and still leaves room for fragmentation across sectors. In terms of institutional aspects, coordination across actors has developed, but has not yet been fully able to overcome sectoral ego and central-regional disconnects. In terms of technology and financing, policies have shown a direction of support, but remain limited to a partial level and have not yet formed a strong implementational foundation. This study concludes that Indonesia's national economic policy support for a sustainable blue economy is moving in a positive direction, but remains predominantly at the normative level and is not yet fully supported by adequate institutional, technological, and financial integration.

Keywords:
National Economic Policy; Blue Economy; Sustainable Maritime Development; Maritime Governance; Institutional Coordination

1. INTRODUCTION

Indonesia regards the maritime sector as a strategic area for development due to its capacity to broaden the growth base, strengthen food security and support the sustainable development agenda; consequently, the quality of national economic policy regarding maritime space is a crucial factor in determining the direction of long-term economic transformation (Wuwung et al., 2024). However, recent studies indicate that sustainable ocean development in Indonesia still faces serious institutional challenges, as national maritime policies and the blue economy agenda remain

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Final transcript accepted 24 April 2026 by Editor-in-Chief.

underdeveloped, whilst maritime affairs are frequently overshadowed by other development priorities outside the maritime sector (Wuwung et al., 2024). These issues are further complicated by the fact that Indonesia's marine governance is shaped by a lengthy institutional chain that tends to create policy dependencies, meaning that the shift towards more inclusive, coordinated, and sustainability-oriented management is proceeding more slowly than the pace of transformation currently required (Talib et al., 2022). In this context, a reorganisation of national economic policy support for blue economy development has become urgent, as maritime development must not be directed solely towards increasing economic output, but must also ensure ecological sustainability, regulatory coherence, and institutional capacity-building simultaneously (Darajati, 2024).

International literature positions the blue economy as a policy arena where two major, often conflicting imperatives converge: the expansion of ocean-based economic growth and the long-term protection of the ocean's ecosystem capacity to sustain such activities (Lee et al., 2020). Consequently, the blue economy cannot be understood merely as a strategy for enhancing the economic value of the oceans, but as a development model that must be aligned with global sustainability goals, particularly as the literature highlights its strong links to SDGs 14–17 as well as to the agendas of health, decent work and human well-being (Lee et al., 2020).

At the same time, recent studies confirm that the acceleration of the blue economy in practice often results in uneven benefits and even causes social harm to coastal communities that depend directly on marine resources; thus, social justice must be treated as a core component, not an afterthought, within the blue economy (Bennett et al., 2022). Consequently, the blue economy is relevant for archipelagic nations such as Indonesia not merely due to the vast potential of maritime resources, but because it offers a framework for assessing whether marine development is truly capable of generating growth, maintaining ecological integrity, and distributing social benefits equitably (Bennett et al., 2022; Lee et al., 2020). Analytically, this means that the blue economy must be understood as a framework for development transformation, not merely a new justification for the exploitation of marine resources couched in the language of sustainability (Bennett et al., 2022; Lee et al., 2020).

In policy literature, state support for the blue economy is not adequately assessed by the sheer volume of regulations, but rather by the extent to which national economic policies are able to operationally link development planning, implementation strategies and the integration of sustainability within the maritime sector (Wuwung et al., 2022).

For Indonesia, this need is becoming increasingly critical as studies on the maritime policy framework indicate that this archipelagic nation has long failed to convert its geostrategic advantages and marine resources into a truly integrated maritime economic foundation within national development (Rochwulaningsih et al., 2019).

A review of Indonesia's ocean development policy indicates that since the publication of the Indonesian Ocean Policy in 2017, the government has begun to establish a policy framework that positions the blue economy as part of the national development agenda whilst also supporting global sustainability goals (Wuwung et al., 2024). However, the same literature emphasises that this agenda remains constrained by fragmented marine governance, limited infrastructure and technology, weak data support, low levels of sustainable investment, and the fact that marine issues still take a back seat to other development priorities (Wuwung et al., 2024).

In the national context, Darajati adds that as an archipelagic nation, Indonesia ought to make maritime development a mainstream component of development policy; thus, maritime governance reforms must be directed towards harmonising maritime law, strengthening institutional frameworks, integrating data, and developing maritime research and technology (Darajati, 2024). Thus, the relationship between national economic policy and the transformation of the maritime sector must be understood as a matter of policy instrument design and coordination capacity, rather than merely the existence of policy documents (Darajati, 2024; Wuwung et al., 2024).

To assess the effectiveness of national economic policies on the blue economy, sustainable development theory remains the most relevant framework as it allows for the simultaneous evaluation of the balance between economic, social and environmental objectives in the management

of marine resources (Lee et al., 2020). However, the existence of a sustainability vision alone is insufficient to explain why policies often fail to achieve the expected outcomes; consequently, institutional theory is required to analyse how authority structures, institutional legacies, and coordination patterns shape policy implementation capacity (Talib et al., 2022).

In the case of Indonesia, a historical-institutional approach reveals that maritime governance is shaped by long-standing path dependence that has historically supported land-based extractive economic activities, meaning that the transition towards more inclusive and sustainable maritime governance is proceeding far more slowly than the transformation demands (Talib et al., 2022).

At a more operational level, collaborative governance is crucial because complex maritime policies cannot be implemented by the state alone; rather, they require stable coordination between the government, businesses, local communities, and non-state actors, underpinned by clear role-sharing and incentives (Emerson et al., 2012). This framework is reinforced by the resource-based view and innovation perspectives, as the competitiveness of the blue economy sector does not arise automatically from resource wealth, but rather from capabilities, innovation strategies, organisational culture, and technological readiness that enable marine resources to be transformed into sustainable competitive advantages (Rianawati et al., 2024).

Theoretically, the integration of these three pillars indicates that policy support for the blue economy must be assessed in terms of the balance between development objectives, institutional quality, and innovation capacity underpinning the maritime sector (Lee et al., 2020; Rianawati et al., 2024; Talib et al., 2022). Theoretically, the integration of these three pillars suggests that policy support for the blue economy must be assessed in terms of the balance between development objectives, institutional quality and the capacity for innovation underpinning the maritime sector (Lee et al., 2020; Rianawati et al., 2024; Talib et al., 2022).

At the implementation level, the global literature indicates that the blue economy cannot be separated from three key operational dimensions: the quality of regulation, technological support, and the availability of financing consistent with the sustainability agenda (Wuwung et al., 2024). From a regulatory perspective, the greatest obstacle in Indonesia is not merely the absence of policy, but the lack of maturity in cross-sectoral integration and the weakness of policy capacity to be translated into effective implementation mechanisms at national and regional levels (Wuwung et al., 2024).

In the capture fisheries sector, recent evaluations indicate that governance reforms through quotas and zoning will only be effective if supported by robust data, reliable monitoring systems, realistic administrative costs, and protection for small-scale fishers during the policy transition process (Suherman et al., 2025).

In the technological dimension, a panel study of Indonesia's island provinces reveals that information and communication technology, capture fisheries, and aquaculture have a positive impact on the blue economy's share; thus, technological support cannot be treated as an additional element, but rather as a core productivity component in the modern maritime economy (Marwa et al., 2024).

In the financing dimension, research in East Java indicates that the digitalisation of financial services by regional development banks can enhance access to capital for small-scale fishermen and aquaculture businesses whilst strengthening local government revenue from the marine and fisheries sector (Hermita et al., 2025). Meanwhile, a study on blue bond regulations emphasises that Indonesia still requires specialised financing instruments and clearer legal certainty so that blue economy financing does not remain merely a normative commitment, but truly becomes a catalyst for maritime economic transformation (Endarto et al., 2025). Therefore, the implementation of the blue economy must ultimately be understood as the result of the interconnection between harmonised regulations, functional technology, and financing suited to the nature of the marine sector, rather than as the result of any single instrument in isolation.

When analysed, previous research on the blue economy in Indonesia falls into at least five broad categories: studies on the urgency of regulation and governance; historical studies and analyses of institutional barriers; empirical studies on the determinants of growth; sectoral studies;

and index-based measurement studies (Darajati, 2024; Marwa et al., 2024; Riany et al., 2023; Talib et al., 2022; Trenggono et al., 2025).

Based on this literature map, this study is positioned to examine the blue economy not merely as a potential sector, but as the result of the interaction between national economic policy, institutional structures, and the demands of sustainable development within the Indonesian context (Lee et al., 2020; Talib et al., 2022; Wuwung et al., 2024).

Unlike studies that tend to be fragmented, this research positions national economic policy as a key variable analysed integrally through the relationship between regulatory design, institutional coordination, technological support, and financing for the development of a sustainable blue economy (Endarto et al., 2025; Hermita et al., 2025; Wuwung et al., 2024).

The theoretical contribution of this research lies in its effort to integrate perspectives on sustainable development, institutional theory, collaborative governance, and the resource-based view approach into a single framework to evaluate the effectiveness of national economic policies on the maritime sector (Lee et al., 2020; Rianawati et al., 2024; Talib et al., 2022). Its practical contribution lies in providing a stronger conceptual foundation for policy evaluation and institutional reform, so that the blue economy can be assessed not merely through narratives of potential, but through the quality of state interventions in generating productive, sustainable, and equitable maritime transformation (Trenggono et al., 2025; Wuwung et al., 2024).

The aim of this study is to analyse the extent to which Indonesia's national economic policies support the development of a sustainable blue economy through regulatory instruments, institutional coordination, technological support and financing, and to analyse the implications for maritime economic growth, ecological sustainability and the equitable distribution of benefits to coastal communities.

2. METHODOLOGY

This study employs a descriptive-analytical qualitative approach with a document-based public policy analysis design, as this design is best suited to examining policy content in depth and producing an account that remains faithful to the textual, institutional and contextual nature of the data examined in policy research. (Bowen, 2009; Sandelowski, 2000).

This approach was chosen because the research objective is not aimed at statistically testing causal relationships, but rather at assessing the extent to which Indonesia's national economic policies support the development of the blue economy through regulation, institutional coordination, technological support, and financing, as well as at interpreting their implications for maritime economic growth, ecological sustainability, and the equitable distribution of benefits to coastal communities in a systematic and proportionate manner. (Dalglish et al., 2020; Sandelowski, 2000).

Research data sources consist of national policy documents, primary scientific journal articles, and official secondary data relevant to the maritime sector and the blue economy, as document analysis enables researchers to understand policy content, the evolution of issues, and how a problem is formulated and addressed within a specific institutional framework. (Bowen, 2009; Dalglish et al., 2020).

Data collection was conducted through systematic document and literature reviews by selecting relevant documents, extracting key information, and organising it into units of analysis following the logic of the READ approach, namely ready materials, extract data, analyse data, and distil findings (Dalglish et al., 2020).

Data analysis was conducted using content analysis to identify the direction, substance, and instruments of policy, as this method allows for the structured interpretation of meaning from textual data, both conventionally and in a targeted manner. (Bowen, 2009; Hsieh & Shannon, 2005).

Furthermore, thematic analysis was used to group patterns of findings into four dimensions of policy support—namely regulation, institutional coordination, technological support, and financing—and then link them to three dimensions of implications: maritime economic growth, ecological sustainability, and equitable distribution of benefits for coastal communities. (Braun & Clarke, 2006; Nowell et al., 2017).

To ensure the credibility of the results, this study employs source triangulation by comparing regulations, academic articles, and official secondary data, as the convergence of information from multiple sources can strengthen the validity of interpretations in qualitative research. (Carter et al., 2014; Nowell et al., 2017).

With this design, the research methodology remains consistent with the study's objectives as it enables a comprehensive evaluation of national economic policy support for the blue economy without extending the research to fieldwork or statistical testing that is not required by the research questions. (Dalglish et al., 2020; Sandelowski, 2000).

3. RESULT AND DISCUSSION

3.1. The respondents in National Economic Policy Support for the Development of a Sustainable Blue Economy

a. The National Economic Policy's Focus on the Blue Economy

The results of the analysis indicate that the blue economy has become an increasingly explicit part of Indonesia's national policy framework, particularly since the publication of the Indonesian Ocean Policy in 2017 and the development of a series of blue economy documents positioned as an integral part of the national development agenda and as a manifestation of support for global sustainable development goals. (Wuwung et al., 2024). Substantively, this development signifies that the maritime sector is no longer viewed solely as a space for resource exploitation, but is beginning to be positioned as a new source of growth that must be linked to ocean health, sustainable use, and SDG targets. (Lee et al., 2020; Wuwung et al., 2024).

However, these findings do not imply that policy orientation has fully shifted towards a mature sustainability paradigm, as studies on Indonesia's ocean policy indicate that national maritime policy and the blue economy agenda still operate as two parallel tracks that run simultaneously but have not yet achieved institutional maturity and are often overshadowed by other national development priorities (Wuwung et al., 2024).

From a content analysis perspective, this indicates that policy support for the blue economy at the orientation stage still possesses a dual character: on the one hand, there is a strong narrative regarding economic growth and the transition towards a high-income nation; on the other hand, a more serious articulation is beginning to emerge concerning ecosystem protection, intergenerational benefits, and socio-ecological balance (Wuwung et al., 2024).

The analysis also reveals that the blue economy in Indonesian policy appears both explicitly and implicitly (Wuwung et al., 2024).

It appears explicitly when blue economy principles are referenced within legal frameworks and policy documents, but also implicitly when the maritime development agenda is framed in terms of economic transformation, maritime industrialisation, value-added enhancement, and new growth rooted in maritime potential (Rochwulaningsih et al., 2019; Wuwung et al., 2024).

More specifically, the latest articulation in the Indonesia Blue Economy Roadmap demonstrates an effort to refine the policy orientation from mere growth towards "knowledge-led" management of coastal and marine resources, oriented towards socio-economic prosperity, marine environmental health, and resilience for both present and future generations. (Wuwung et al., 2024).

Nevertheless, policy support at the strategic level remains partial, as the emphasis on economic growth remains overwhelmingly dominant in the discourse of national economic transformation; consequently, sustainability often functions more as a legitimising framework than as a guiding principle consistently shaping cross-sectoral priorities (Bennett et al., 2022; Wuwung et al., 2024).

This situation indicates that the direction of national policy has shifted towards sustainable maritime development, but substantively remains in a transitional phase from a maritime growth logic towards a fully integrated blue economy logic (Talib et al., 2022; Wuwung et al., 2024).

b. Regulatory Support for the Development of a Sustainable Blue Economy

The results of the analysis show that, from a regulatory perspective, Indonesia actually already possesses a relatively comprehensive legal framework to support the blue economy, ranging from normative references in the Maritime Law, Indonesia's Maritime Policy, various blue economy framework documents, to sectoral regulations such as quota-based sustainable fishing policies. (Aprian et al., 2023).

Substantively, this regulatory configuration indicates that the blue economy is no longer a marginal issue, as it has permeated the realms of planning, resource management, conservation, and fisheries reform (Darajati, 2024). Nevertheless, regulatory support cannot yet be described as robust in terms of implementation, as policy studies indicate that neither legislation nor maritime policy documents have adequately elaborated on how blue economy principles should be operationalised at the ministerial, provincial, and local government levels (Wuwung et al., 2024).

These findings indicate a significant gap between the normative recognition of the blue economy and the regulatory capacity to produce clear, measurable, and cross-sectoral operational guidelines (Darajati, 2024; Wuwung et al., 2024). From a policy coherence perspective, this situation is further complicated by the fact that Indonesia's maritime regulations remain characterised by the existence of numerous piecemeal policies that are not always interconnected (Aprian et al., 2023).

A study of fisheries policy reveals the existence of at least 23 partial national policies related to the maritime sector and fisheries that are not adequately interconnected, amidst the presence of 17 central government agencies all involved in maritime policy (Aprian et al., 2023). In this context, quota-based regulated fishing serves as a key illustration of the ambivalence of blue economy regulations in Indonesia, as this policy is normatively claimed to support ecological sustainability and economic efficiency, yet simultaneously poses risks of inequitable access rights, bias towards stronger industry players, and resistance at the local level (Aprian et al., 2023; Suherman et al., 2025).

The fact that local stakeholders in WPP 718 rejected this policy due to concerns over the distribution of authority, disparities between local and commercial fishermen, and low community involvement indicates that the operationalisation of these norms is not yet fully aligned with the principles of blue economy inclusivity (Aprian et al., 2023). Thus, regulatory support for the blue economy can be considered quite strong at the legal framework level, but remains fragmented at the level of cross-sectoral integration and is not yet entirely free from a bias towards growth over sustainability (Aprian et al., 2023; Darajati, 2024; Wuwung et al., 2024).

c. Institutional Coherence and Coordination

The results of the analysis show that, at the institutional level, the Indonesian government has established a fairly broad configuration of actors to drive the blue economy agenda (Wuwung et al., 2024). Bappenas occupies a central position in the development of the blue economy framework and planning, whilst the Coordinating Ministry for Maritime Affairs and Investment is positioned as the lead actor in the implementation phase (Wuwung et al., 2024).

Furthermore, at least 24 other institutions, including the Coordinating Ministry for Economic Affairs and the Ministry of Finance, contribute to the development and implementation of blue economy policies, and the government is even promoting collaborative mechanisms such as the National Blue Agenda Actions Partnership and plans to establish a dedicated blue economy secretariat (Wuwung et al., 2024).

Formally, this architecture demonstrates recognition that the blue economy cannot be managed by a single ministry, but must operate through collaborative, multi-stakeholder governance (Emerson et al., 2012; Wuwung et al., 2024). However, the results of the thematic analysis show that the expansion of stakeholders does not automatically lead to institutional coherence (Talib et al., 2022).

The study by Wuwung and colleagues highlights a misalignment between national development plans and regional development plans, coupled with the absence of provincial-level institutions specifically tasked with coordinating and synchronising marine management within their jurisdictions (Wuwung et al., 2024). This problem is compounded by the historical findings of

Talib and colleagues, which show that marine management institutions in Indonesia were shaped by a long historical trajectory of supporting land-based extractive economic activities, making it difficult for environmental values and the interests of local communities to gain a dominant position in contemporary governance (Talib et al., 2022).

At the implementation level, a case study of pond aquaculture in Gresik demonstrates how weak local institutions, limited access to capital, and a lack of incentives for collective action can hinder the management of shared resources that should form the foundation of an inclusive blue economy (Riany et al., 2023). From a policy coherence perspective, this situation indicates that the primary issue is not the absence of actors, but rather the weak integration between planning, the distribution of authority, and cross-sectoral and cross-level coordination capacity (Aprian et al., 2023; Talib et al., 2022; Wuwung et al., 2024). Thus, institutional support for the blue economy is formally in place, but substantively remains fragmented and vulnerable to sectoral self-interest and central–regional tensions (Talib et al., 2022; Wuwung et al., 2024).

d. Technological Support for the Transformation of the Blue Economy

The results of the analysis indicate that technology has emerged within the discourse on Indonesia's blue economy policy, but its role is still more frequently treated as an enabler rather than as a policy pillar that receives genuine systemic support (Trenggono et al., 2025). This is evident from the acknowledgement that the development of the blue economy remains constrained by inadequate infrastructure and technology, limited data support, and low research and innovation budgets and outputs (Wuwung et al., 2024).

Substantively, these findings imply that the state has recognised the importance of technology for sustainable ocean management, but has not yet fully succeeded in translating this understanding into a robust, measurable, and equitable marine innovation strategy (Rianawati et al., 2024). This shortcoming is particularly significant, as the blue economy transformation fundamentally requires monitoring of resource stocks, spatial information systems, digital support, efficient processing of marine products, and innovations that enable increased value addition without exacerbating ecological pressures (Lee et al., 2020; Rianawati et al., 2024).

Technological support also continues to reveal a disparity between macro-policy priorities and the actual access of coastal communities (Hermita et al., 2025; Marwa et al., 2024). A panel study by Marwa and colleagues indicates that information and communication technology has a positive impact on the blue economy's share in Indonesia's island provinces, whilst investment generally shows no significant effect, suggesting that the quality of technological support is more decisive than the mere volume of capital injected (Marwa et al., 2024).

Research by Rianawati and colleagues also indicates that technological capabilities, innovation strategies, innovation culture, and strategic alignment influence the competitive advantage of the blue economy sector; consequently, policies that treat technology merely as an administrative add-on will struggle to bring about structural transformation (Rianawati et al., 2024). Meanwhile, a study by Hermita and colleagues demonstrates that the digitalisation of finance, payments, and levies in the fisheries sector can expand access to capital for small-scale fishermen and aquaculturists, but the benefits are only optimised if supported by digital infrastructure, digital literacy among coastal households, and adaptive governance (Hermita et al., 2025).

These findings highlight a gap between the normative orientation that recognises technology as an enabler and the still-limited implementation capacity in research, technology transfer, digitalised monitoring, and the equitable distribution of access to environmentally friendly technology for coastal communities (Hermita et al., 2025; Rianawati et al., 2024; Wuwung et al., 2024). Consequently, technological support for Indonesia's blue economy can be considered significant in theory, but remains partial at the implementation level and is not yet robust enough to serve as a foundation for an inclusive maritime economic transformation (Marwa et al., 2024).

e. Financing Mechanisms for a Sustainable Blue Economy

The analysis indicates that blue economy financing mechanisms in Indonesia are developing, but have not yet been fully established as a funding system consistent with the scale of policy ambitions (Endarto et al., 2025). One of the most significant findings is that the marine policy action plan is not yet underpinned by clear legal obligations regarding budget allocation to ensure the implementation of all programmes and activities listed therein (Wuwung et al., 2024).

Substantively, this situation indicates that the vision of blue economy policy remains more advanced than the fiscal instruments supporting it, meaning that funding support tends to be normative and relies on the cross-ministerial capacity to adapt programmes into existing budgetary mechanisms (Wuwung et al., 2024). The emergence of the SDG bond and national blue bond frameworks indicates serious fiscal innovation, including the financing of mangrove and coral reef rehabilitation projects, the rehabilitation of shrimp and milkfish ponds, coastal protection, and tidal control infrastructure across several ministries in the 2023 fiscal year.

However, the fact that these instruments were created precisely to address the state's budgetary constraints indicates that blue economy financing does not yet have a sufficiently strong domestic foundation as a long-term funding regime (Wuwung et al., 2024). At the same time, a study by Endarto and colleagues confirms that Indonesia still requires a specific regulatory framework for blue bonds, meaning that the development of blue finance does not yet fully possess adequate legal certainty and institutional design (Endarto et al., 2025).

These limitations are intertwined with the findings of Wuwung and colleagues regarding the low level of sustainable investment as one of the main obstacles to sustainable ocean development in Indonesia (Wuwung et al., 2024). From the perspective of social inclusivity, the issue is even more acute, as coastal and fisheries communities remain relatively underserved by formal financial services, although a study in East Java indicates that digital financial services can improve access to capital for small-scale fishermen and aquaculture businesses whilst strengthening local government revenue (Hermita et al., 2025).

These findings imply that the issue of blue economy financing lies not merely in the presence or absence of green/blue instruments at the national level, but also in the ability of policies to channel these instruments down to coastal economic actors—who form the very social foundation of a sustainable blue economy (Bennett et al., 2022; Hermita et al., 2025). From a policy coherence perspective, this situation highlights a contradiction between the vision of a blue economy—which emphasises sustainability and inclusivity—and a financing framework that remains reliant on limited schemes, experimental instruments, and unequal access (Endarto et al., 2025; Hermita et al., 2025; Wuwung et al., 2024). Consequently, financial support for the blue economy in Indonesia has moved in an innovative direction, but remains insufficiently integrated, not yet fully inclusive, and disproportionate to the needs of the sustainable maritime sector's transformation (Endarto et al., 2025; Wuwung et al., 2024).

3.2. Policy Implications for Blue Economy Growth, Ecological Sustainability and the Equitable Distribution of Benefits to Coastal Communities

a. Implications for the Economic Dimension

The results of the analysis indicate that Indonesia's national economic policy has positioned the blue economy as a new source of growth, meaning that the maritime sector is no longer viewed solely as a primary extraction sector, but is now being directed towards supporting national economic transformation, increasing productivity, and expanding the value-added base (Endarto et al., 2025; Wuwung et al., 2024). Economically, this policy direction reflects a shift from an orientation towards the exploitation of raw resources towards the strengthening of value-added sectors such as capture fisheries, aquaculture, seafood processing, and an innovation-based maritime economy; however, this support has not yet fully materialised as a coherent system of interventions integrating regulation, technology, and financing (Rianawati et al., 2024; Wuwung et al., 2024).

Empirical findings show that blue economic growth in Indonesia's island provinces is positively influenced by information and communication technology, capture fisheries, and

aquaculture, whilst general investment does not show a significant influence; this implies that the expansion of the blue economy is not sufficiently supported by capital injection alone, but rather by the quality of structural support that enhances the sector's productivity and efficiency (Marwa et al., 2024). At the same time, studies on the competitive advantages of the blue economy sector indicate that value added and competitiveness are in fact largely determined by technological capabilities, innovation culture, innovation strategies, and strategic alignment; consequently, policies that merely promote output growth without establishing a foundation for innovation risk resulting in a fragile sectoral expansion that is likely to stall at the primary commodity stage (Rianawati et al., 2024).

Nevertheless, policy support remains partial because the linkages between the vision for maritime economic transformation and instruments for downstream processing, business diversification, access to finance for coastal stakeholders, and the strengthening of value chains are not yet fully developed, as evidenced by the fact that coastal communities remain relatively underserved by formal financial services and financial digital transformation is only evident in certain practices at the local level (Hermita et al., 2025; Wuwung et al., 2024). Thus, economically, national policy has established a fairly clear direction towards a productive and value-added blue economy, but the foundation is not yet fully robust because the growth driven is still stronger at the strategic orientation level than in the integrative implementation of regulations, technology, financing, and the strengthening of coastal economic actors (Hermita et al., 2025; Marwa et al., 2024; Wuwung et al., 2024).

b. Implications for the Ecological Dimension

From an ecological perspective, Indonesia's national economic policies demonstrate a growing recognition that ocean health and the sustainable use of resources are essential prerequisites for ocean development; consequently, the blue economy has been normatively linked to conservation, ecosystem protection and long-term sustainability agendas (Lee et al., 2020; Wuwung et al., 2024).

Nevertheless, the results of the analysis indicate that the principle of sustainability has not yet fully functioned as a solid implementational foundation, as various studies still identify limitations in the effectiveness of conservation area management, institutional capacity, monitoring quality, and adaptive evaluation capabilities, meaning that ecological protection often lags behind the rapid expansion of the maritime economic agenda (Meilana et al., 2023; Wuwung et al., 2024).

This contradiction is clearly evident in the reform of capture fisheries governance, as quota- and zoning-based policies are normatively designed to support the sustainability of resource stocks and the efficiency of utilisation, yet their implementation still faces challenges regarding data, administrative costs, monitoring, and stakeholder resistance, whilst many fisheries management areas themselves are already at full exploitation levels or facing the pressure of overfishing (Aprian et al., 2023; Suherman et al., 2025).

These findings indicate an unresolved tension between the agendas of growth and ecological protection, as policies have shifted towards more sustainable marine development, yet the instruments for control, monitoring, and enforcement of sustainability are not yet fully adequate to ensure that economic expansion does not erode the carrying capacity of the marine environment (Meilana et al., 2023; Suherman et al., 2025).

Analytically, this situation indicates that the ecological implications of national economic policy remain ambivalent: sustainability has emerged as a key policy language, but has not yet fully become a decision-making logic capable of overcoming sectoral growth biases and ensuring a consistent balance between economic exploitation and the conservation of marine resources (Bennett et al., 2022).

c. Implications for the Social Dimension

In the social dimension, these findings indicate that the direction of Indonesia's maritime economic policy has not yet fully ensured a fair distribution of benefits; for whilst the blue economy is claimed to support the well-being of coastal communities, many studies show that the acceleration

of the ocean economy generally tends to generate benefits that are more easily captured by actors possessing greater capital, technology and policy access than coastal communities who are directly dependent on marine resources (Bennett et al., 2022; Wuwung et al., 2024).

The analysis also indicates that social inclusivity remains constrained by weak local capacity and institutional unpreparedness at the implementation level, as evidenced by a study on pond aquaculture in Gresik which identified issues regarding the commons, capital constraints, weak institutions, and low incentives for collective action, meaning that local communities are not always in a strong position to capitalise on blue economy opportunities (Riany et al., 2023).

In the context of capture fisheries, resistance to quota policies in WPP 718 also demonstrates that social problems are not only related to welfare but also to the distribution of access, rights, and bargaining power, as local groups perceive the policy as potentially reinforcing disparities between local fishermen and larger commercial operato rs (Aprian et al., 2023).

On the other hand, studies on digital financial inclusion in East Java indicate that when financing support is genuinely designed to reach small-scale fishermen and aquaculture operators, such policies can expand access to capital, enhance business capacity, and open opportunities for a more equitable distribution of benefits; however, these findings also reveal that such success remains heavily dependent on digital infrastructure, financial literacy, and institutional support that are not yet uniformly available nationwide (Hermita et al., 2025).

Nevertheless, social policy support remains partial, as the inclusivity of coastal communities is more often presented as a normative goal rather than as a mechanism consistently guaranteed through regulatory design, financing schemes, and the protection of local communities' bargaining power within the marine economic value chain (Bennett et al., 2022; Hermita et al., 2025; Riany et al., 2023).

Consequently, the social implications of Indonesia's blue economy policies are not yet fully inclusive, as policy direction acknowledges the importance of coastal communities as the primary beneficiaries, yet in practice the distribution of benefits remains largely macro-level, uneven, and not fully sensitive to the capacity, vulnerabilities, and actual needs of coastal groups as central actors in the marine economy (Bennett et al., 2022; Hermita et al., 2025; Wuwung et al., 2024).

4. CONCLUSION

This study concludes that Indonesia's national economic policy support for the development of a sustainable blue economy has been tangibly established at the levels of policy orientation, regulatory recognition and institutional framework, but has not yet fully reached a level of strong, integrated and actionable support. Based on the first research objective, it was found that the blue economy has been incorporated into the national development agenda both explicitly and implicitly, and the maritime sector is beginning to be positioned not merely as a space for resource exploitation, but as a basis for growth linked to sustainability. However, this policy support remains largely piecemeal as policy coherence is not yet fully mature, regulatory implementation still leaves gaps, cross-sectoral and cross-level government coordination remains prone to fragmentation, whilst technological and financial support has not yet developed into fully robust policy pillars. Thus, Indonesia's national economic policies have provided a sufficiently important normative foundation for the blue economy, but this foundation has not yet been fully transformed into consistent implementation capacity.

Furthermore, regarding the second research objective, this study indicates that policy implications across the economic, ecological, and social dimensions remain mixed. In the economic dimension, policy direction has opened opportunities for blue economic growth, increased productivity, and enhanced value addition; however, the quality of the resulting growth is not yet fully supported by adequate integration between regulation, technology, and financing. In the ecological dimension, the principle of sustainability is present normatively within policies, but there remains a tension between the growth agenda and the protection of environmental carrying capacity, as control, monitoring, and implementation instruments are not yet fully effective. In the social dimension, the benefits of the blue economy have not yet been distributed in a fully fair and inclusive

manner, as coastal communities are not always in a strong position regarding access, capacity, or the receipt of development benefits. Overall, this study confirms that Indonesia's national economic policies have moved towards supporting a sustainable blue economy, but this support remains stronger at the level of normative direction than in terms of institutional integration, implementation effectiveness, and substantive commitment to ecological sustainability and the equitable distribution of social benefits.

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