

Philosophical Analysis of Embedded Economy on The Jamaah Islamiyah Terrorist Group in Indonesia

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ABSTRACT

This research seeks to provide an explanation of how economics, in the context of efforts or methods to meet needs, is embedded in the behavior of terrorist groups in Indonesia based on a commitment to violence that hides behind the dogma of religious ideology. As Karl Polanyi proposed, economic embeddedness defines the economy as a product of social relations based on wisdom values and mutually sufficient mutual relations between individuals and groups under the auspices of local wisdom. It turns out that other attributes are attached to embedded economics apart from ethical values, namely the commitment of social groups to the path of violence. This research used a qualitative approach that is a critical analysis of actual problems occurring in society, namely the existence of an economic mode in the movement of the terrorist group Jemaah Islamiyah (JI) in Indonesia. The research results found that economic motives play a role in the actions carried out by terrorist groups; in the context of JI, social currency is used in monetary exchange. The Indonesian government has implemented the principle of redistribution with a multidimensional approach in dealing with terrorism, one of which is Karl Polanyi's Economic Embeddedness approach, which involves the redistribution of resources and integration of terrorist groups into broader society, as well as the termination of terrorism funding.

INTRODUCTION

Human survival efforts, beyond avoiding physical threats, also include efforts to provide for and fulfill their needs, both individually and in groups. History shows the evolution of human methods for fulfilling their needs, ranging from hunting and gathering, to farming and raising livestock, to the use of metal tools (technology) in production activities. In an effort to fulfill these needs, humans created social structures, created means of exchange, and built trade networks, ultimately leading to the formation of complex economic systems. Humans are said to be economic creatures, where humans always act rationally in making decisions to choose the best alternatives to fulfill their needs as optimally as possible, using available resources. This is what is interpreted as the goal of economics.

On the other hand, viewing humans as *Homo Economicus* actually emphasizes that humans have diverse and insatiable needs. Humans will always have a desire to continually improve and enhance their quality of life. Therefore, as economic beings, humans will always be rational, always considering the benefits they will gain in all their behavior and activities.

Furthermore, referring to the views of philosophers such as Thomas Hobbes, John Locke, and Jean-Jacques Rousseau who discussed the idea of a social contract, they argued that

individuals come together to form a society through mutual agreement to guarantee their rights and maintain order. This social contract establishes a legal and governmental framework that transcends the presence of any one group.

Society involves a shared culture, collective identity, and a sense of belonging. Individuals within a society share customs, values, and traditions that shape their interactions and behavior. These cultural aspects distinguish a society from a random group of people.

Societies exhibit complex social structures, including hierarchies, institutions, and roles. These structures determine how individuals relate to one another and fulfill specific functions within society. Philosophers such as Émile Durkheim explored the role of social structures in maintaining social order and cohesion.

Society is characterized by shared norms, rules, and moral principles that guide human behavior. These norms transcend individual preferences and form the ethical framework of the entire society.

One of the reasons why humans choose to group according to Freud, is to fulfill their basic needs, such as security, social support, and emotional fulfillment, while mediating internal conflicts and living life according to social norms and values that they internalize through the Superego. Grouping allows individuals to balance the drives of *the Id*, the realistic considerations of *the Ego*, and adherence to the social norms of *the Superego* within a broader social framework. In a group, values that are believed and considered true by its members live, even in a criminal group such as terrorism.

Like We know together, terrorism aged the same with age civilization human. Problem terrorism No only become problem national, will but also a problem international since 1960. This become attention together when the more Lots public civilians who were victims of activities terrorism that is carried out. The word terrorism was originally become popular now Revolution France. In the beginning, the word terrorism interpreted as something means for create regularity during the transition period moment fall anarchy in Europe. However thus, in its development terrorism depart behind as A movement revolutionary or anti -government movements carried out by the powers No national or sub- national power. In developments, the perpetrators terror gathers as A group social that is not only in 1 (one) country, but also across countries.

In Freud's context, terrorist groups possess basic drives such as the desire to express political dissatisfaction, aggression, or the desire to achieve their ideological goals. Forming a group provides a means to collectively direct and actualize these drives. Terrorist groups can provide *an outlet* for the negative drives within their *id*.

The ego plays a role in evaluating realistic means of achieving individual desires. They perceive that group action is a more effective way to achieve their goals, including attacks or other actions they deem necessary. Terrorist groups often develop more sophisticated strategies, plans, and tactics through internal negotiations and a better understanding of how to achieve their objectives.

The superego reflects an individual's internal norms and values. However, in the case of terrorists, their superego can be distorted or even replaced by a radical ideology that justifies violent acts. They view their violent actions as a legitimate or even desirable means of achieving their ideological goals, thus disregarding generally accepted social and moral norms.

Terrorists often seek social support within their groups. They feel strengthened and encouraged by peer group members who share similar ideologies and goals. Justifications for violent acts are often maintained and reinforced, allowing individuals to overcome potential moral conflicts or feelings of guilt that may arise from their superego.

Thus, forming groups can be a way for terrorists to integrate or accommodate their basic drives (Id), realistic considerations (Ego), and moral or ideological feelings (Superego). Terrorist groups often create an environment that allows individuals to justify and carry out violent acts that may conflict with generally accepted social and moral norms in society. Therefore, in this sense, forming groups can serve as a means to facilitate and reinforce terrorist behavior.

Terrorist groups can be considered societal groups in some sense due to their organizational structure, shared values, and social dynamics. Terrorist groups often exhibit organizational structures that resemble societies, with leaders, members, and hierarchies. For example, research on terrorist group survival highlights the importance of group dynamics and internal cohesion, suggesting that these groups function as organized entities similar to societies.

Furthermore, terrorist groups share common values, beliefs, and ideologies that bind their members. This shared ideology can be seen as a form of collective identity, similar to how societies are defined by shared cultural norms and values. For example, religious terrorist groups like ISIS recruit followers based on shared religious beliefs, creating a sense of community within the group.

Terrorist groups rely on social interactions and interpersonal relationships among their members. These interactions foster a sense of belonging and loyalty, much like the social bonds within a community. Studies in the psychology of terrorism explore how individuals enter and remain in terrorist organizations, highlighting the role of social factors in recruitment and radicalization.

Terrorist groups engage in a wide variety of violent acts, including bombings, assassinations, and other forms of terrorism, causing harm to innocent civilians. In contrast, community groups typically focus on positive, nonviolent activities aimed at improving their communities. This stark contrast highlights the significant differences between the two.

Furthermore, terrorist groups often embrace extremist ideologies that advocate hatred, intolerance, and violence. Their ideologies fundamentally contradict the principles of inclusivity, cooperation, and community development that many groups uphold.

The international community categorizes terrorist groups as non-community groups. The United Nations and other international bodies maintain lists of recognized terrorist organizations based on their violent activities and extremist ideology. These organizations are not considered community groups at any level.

The attack on the WTC Building on September 9, 2001 in New York entered a new chapter in the development of terrorism in the world, which had an impact throughout the world, including in Indonesia. History records several acts of terrorism that injured human values, including: Bali Bombing 1 in 2002, JW Marriot and Ritz Carlton Hotel Bombings in 2003, Australian Embassy Bombing in Jakarta 2004, Bali Bombing 2 in 2005, Thamrin Street Bombing 2016 and Church Bombing and police station in Surabaya in 2018. Although not directly related to Al Qaeda led by Usama bin Laden, the success of the attack shows that global

terrorism has a broad impact and may involve terrorist groups that work together or are inspired by the same ideology. Religious ideological doctrines are used to legitimize irrational acts that violate ethics and aesthetics in behaving in the social arena.

In addition to actions that cause mass casualties, acts of terrorism are also carried out with actions that are closely related to the economy such as a series of bank robberies, post offices, gold shops, building shops that are claimed as *fa'i* (loot), carried out by the West Indonesia Mujahideen group with the excuse of helping the struggle of the East Indonesia Mujahideen group (MIT) in 2013. Then there is also cyber crime carried out by the MIT group which succeeded in hacking an *online investment site* and collecting funds of around 9 billion rupiah in 2012, a pattern consistent with the broader modus operandi of terrorism financing in Indonesia, which combines legitimate businesses, social media fundraising, and cyber fraud such as investment scams and website hacking (Mursyid et al., 2025). This shift toward digital fundraising has been traced in detail in the MIT network itself, which moved from decentralized, Facebook-based crowdfunding campaigns exploiting humanitarian narratives toward more centralized single-donor financing channels as authorities increased scrutiny of public appeals (Rabitha et al., 2026). The robbery of the Sri Redjeki gold shop in Magetan, East Java by the Anshor Daulah (AD) group supporting ISIS aimed at obtaining funds to migrate to Syria with the excuse of getting a better economic and socio-political life in the destination country. The construction of a drug laboratory in Majalengka, West Java by the Anshor Daulah group with capital from *crowdfunding activities* (collecting funds from the community by exploiting the spirit of charity) via *Facebook* in 2016. Another thing the JI group did was *CrowdFunding* with the Abdurrahman Bin Auf Foundation (ABA), in the name of social, educational and religious goals. Case study evidence confirms that Baitul Maal Abdurrahman Bin Auf functioned alongside another faith-based philanthropic institution, Syam Organizer, as one of JI's principal "funding machines," collecting donations through charity boxes and public religious gatherings before channeling the proceeds toward the group's operations (Nugroho et al., 2025).

The economic activities carried out by terrorist groups must be understood in the context that terrorist groups require funds to carry out their operations, including planning, executing attacks, and maintaining their networks. Furthermore, the process of recruiting prospective members requires costs, as Albert Hirschman argues in his book, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*. that individual Possible feel dissatisfaction to situation economy they, like unemployment, inequality, or marginalization social. If they feel No There is hope for repair economy in environment they, they Possible select " *exit* " with method join with group terrorist as alternative for fulfil need they or respond dissatisfaction economy.

Olivier Roy has highlight that frustration economy can be one of factor driver important in the process of radicalization. Dissatisfaction to condition poor economy, unemployment, inequality, or marginalization social can trigger resentment among individuals, especially among young more prone to offer group promising terrorists alternative radical. This view is supported by cross-national evidence showing that income inequality, when accompanied by weak redistribution, is significantly associated with higher levels of domestic terrorism (Krieger & Meierrieks, 2019), although the reverse relationship also holds, as terrorism itself has been found to exacerbate economic inequality over time, particularly in non-

democratic settings (Meierrieks, 2025). Similar patterns have been documented outside the Western context, where income inequality interacting with low human capital has been linked to higher terrorism risk in developing regions (Ajide & Alimi, 2021), and where horizontal, group-based economic inequalities have been shown to correlate with a greater number of fatalities from terrorist attacks (Fleming et al., 2022).

Next, some group terrorists, especially those related to with Islamism radical, can interesting candidate member with offer incentive economy, such as help financial, benefits, or benefit social. This factor can become Power pull for individuals who feel marginalized in a way economy or isolated from public. Then arise questions on the discourse of jihad as objective in activity group terrorism in Indonesia, is it true? terrorism in Indonesia aims for uphold law or there is efforts for control sources production (purpose economy).

main purpose terrorism No always related directly with control sources production. Terrorism usually more related with objective political, ideological, or religious aims for reach change or pursuing a certain agenda through use violence or threats. However, in some cases, terrorism can impact sources of production or economic infrastructure. For example, in armed conflicts in some countries, terrorist or insurgent groups may target economic infrastructure such as oil, electricity, or transportation facilities as part of their strategy.

One terrorist group worthy of scrutiny in Indonesia is the JI group, which has attracted attention both domestically and internationally due to its actions posing a threat to the survival of society. As a terrorist group with numerous activities in Indonesia, it is important to examine JI's presence in relation to the economic motives behind its terrorist acts in Indonesia. In viewing and further examining the relationship between terrorism and economic motives as explained above, it is interesting to further examine Karl Polanyi's views regarding *the embedded economy approach* as a view that lives and grows in a particular group, in this case a terrorist group.

Karl Polanyi, a Hungarian economic historian, developed an economic concept that challenged traditional (mainstream) economic ideas. Polanyi used a cultural approach to economic problems, examining how the economy is embedded in the socio-cultural life of society through the concept of " *embeddedness* " in his work, *The Great Transformation* (1944). This concept can be applied to understanding how the economy relates to social and cultural aspects in the context of terrorist groups.

Terrorist groups, like other social groups, involve individuals who come together and interact based on shared interests, beliefs, or goals. They form social networks in which members communicate, coordinate activities, and often develop strong group bonds. These groups share ideological, political, or religious goals, and members may feel a sense of belonging and identity within the group.

However, what distinguishes terrorist groups from most social groups is their use of violence and illegal tactics to achieve their goals. Their involvement in acts of terrorism targets civilians, instills fear, and often violates international and domestic laws. The violent and unlawful nature of their actions makes them a highly controversial and dangerous social group. From a philosophical perspective, resource mobilization theory states that terrorist groups, like any other organization, require resources to operate effectively. These resources can include funding, weapons, recruits, and support networks. Achieving their goals often requires the efficient acquisition and management of these resources.

Based on the above, it would be interesting to further examine Karl Polanyi's critical reflection on the values embedded in terrorist groups, along with the dynamics within them. Polanyi's *Embedded Economics* is rooted in the idea of protecting society from the harmful effects of *self-regulating markets*. *Embedded Economics* emphasizes the importance of regulating economic activity to maintain social welfare. In contrast, terrorist groups engage in fundamentally unethical activities, often causing harm and suffering to innocent people. Their goals are usually political, ideological, or religious, and they prioritize these goals over ethical considerations.

Terrorism involves the use of violence or the threat of violence to achieve its goals. However, this contrasts with Polanyi's vision of embedded economics, which seeks peaceful and orderly economic relations within society. The use of violence as a means to an end is fundamentally inconsistent with the principles of *embedded economics*. Terrorist groups have economic elements in their strategies, such as fundraising, but these economic activities play a crucial role in achieving their primary goals, which are often unrelated to the economic well-being of society.

Nevertheless, Karl Polanyi's vision of peaceful, orderly relations within society can be seen as one approach that the state (public institutions) can take to counter-terrorism in a country, particularly in Indonesia. While the *embedded economics perspective* put forward by Karl Polanyi provides valuable insights into the organization and regulation of the economy within society, this concept serves as an analytical tool regarding how to view terrorist groups as economic groups with economic goals. In this case, we will try to further examine whether the economic goals that underlie the actions of terrorist groups can be justified based on Karl Polanyi's views.

Although various studies have examined the relationship between economics and terrorism, limited attention has been given to the philosophical analysis of economic embeddedness within terrorist groups in Indonesia using Karl Polanyi's framework. Previous research has largely focused on security approaches to counterterrorism or economic analyses of terrorism funding without thoroughly examining the social and cultural dimensions of economic motives within terrorist organizations. Furthermore, the application of Polanyi's embedded economy concept to terrorist groups remains underexplored in the Indonesian context. Research on Jemaah Islamiyah has predominantly focused on its ideological and operational aspects, while the economic motives underlying its activities have not been comprehensively analyzed through the lens of embedded economics. This gap underscores the need for research that specifically examines how economic motives are embedded in the social relations, cultural values, and group dynamics of JI, and how this understanding can inform more effective counterterrorism strategies.

This study aims to provide a philosophical analysis of how economic motives are embedded in the behavior of the Jemaah Islamiyah terrorist group in Indonesia, using Karl Polanyi's concept of embedded economy. Specifically, this research seeks to examine the economic activities and motives underlying JI's terrorist actions, to analyze the application of Polanyi's concepts of reciprocity, redistribution, and householding within JI's organizational structure and social relations, and to formulate recommendations for counterterrorism strategies based on a comprehensive understanding of the embedded economy approach. Theoretically, this research contributes to the development of economic sociology and terrorism studies by

integrating Polanyi's embedded economy concept into the analysis of terrorist groups, while also enriching the literature on the relationship between economics, culture, and political violence in developing countries. Practically, the findings are expected to provide strategic recommendations for the Indonesian government, particularly the National Counterterrorism Agency (BNPT) and law enforcement agencies, in formulating more effective and comprehensive counterterrorism strategies that address not only security aspects but also the economic and social dimensions of terrorism. Furthermore, this research offers insights for deradicalization programs by understanding the social and economic factors that motivate individuals to join and remain in terrorist groups.

METHOD

This research employed a qualitative approach with a philosophical-critical paradigm, aiming to provide a fundamental understanding of the central principles of human life concerning the relationship between economics and terrorism. The study is not limited to anthropological or sociological analysis but is examined philosophically to achieve a deeper comprehension of the embedded economic motives within terrorist groups. The rationale for choosing this method is to attain a fundamental understanding of the central principles of human life through critical reflection on the values and norms that underlie economic behavior in social groups, including terrorist organizations. This research is a critical reflection, discussing the fundamentals of human life, concerning quite central phenomena. This research is not limited to anthropological or sociological studies, but rather is examined philosophically. The rationale for choosing this method is to achieve a fundamental understanding of the central principles of human life. Furthermore, based on the inventory and critical evaluation, an attempt is made not to add new understanding but rather to balance what has been determined.

In this case, the research focuses on the relationship between economics and terrorism, through logical testing of various references, including books, scientific journals, and investigative documents that serve as references in this research. In general, the method used by the author is typical of philosophy, namely 1; conceptual analysis, where the author's thoughts on concepts are used to re-discuss existing theories juxtaposed with data sources in this research, to study the logical relationship between economics and terrorism. 2; Decision-making, namely determining the close relationship between economics and the phenomenon of the terrorist group Jemaah Islamiyah, especially in Indonesia.

The object of this study is the *Embedded Economy theory*, as proposed by Karl Polanyi and Jemaah Islamiyah, a terrorist group in Indonesia. Therefore, the research data used is secondary data derived from literature review related to the aforementioned topics, including books, scientific journals, and the internet. The research instrument is the researcher herself. Meanwhile, the data analysis method used in this research is an interpretation method of the theory and problem formulation presented. In this case, human meaning, values, and intentions are read with interpretive understanding, to discover within them the structures and norms that apply to human nature.

RESULTS AND DISCUSSION

Economic Motives in Groups Jamaah Islamiyah Terrorism According to Embedded Economy Theory

Radicalism wrapped in religion still become threat for Indonesia. Although approach security often prioritized, its effectiveness in finish root problem Still need questionable. One of the frequent factors called as reason emergence radicalism and terrorism is poverty and injustice in the field economics, law, politics, socio-culture, and education even though matter This No justify action violence. Research This examine to what extent economic motives present in every action group terror in Indonesia, using draft attachment economics (embeddedness) of Karl Polanyi, who looked at that action economy No stand Alone but attached to the relationship social, cultural and solidarity group.

Group Terror as Community Groups

Referring to the definition public from various experts (Heskovits, Gillin & Gillin, Steinmetz, MacIver, Karl Marx, Selo Soemardjan) and definition terrorism from the Oxford English Dictionary, group terror including Jemaah Islamiyah (JI) can considered as group public Because fulfil six characteristics: (1) group organized individuals, (2) follow One method agreed life together, (3) have the same customs and traditions, (4) have connection close and regular, (5) have system work and procedures as well as each other helping, and (6) determined by expectations and values dominant in its members.

A brief History Terrorism in Indonesia

Islamic radicalism in Indonesia began from Kartosoewirjo's DI/TII movement (1950s), continued to the Jihad Command (1970–1980s), until series JI bombings in 1999–2004 (including the 2002 Bali Bombing and the 2003 Marriott Hotel Bombing), a trajectory in which DI's ideological legacy has been identified as a direct root cause of JI's later militant Islamic movement (Yunanto & Damayanti, 2017). A total of 18 actions were recorded. bomb kill self between 2001–2017, including attack by three family in Surabaya in May 2018 involving children and women as perpetrator, related Jamaah Ansharud Daulah (JAD) cells, an unprecedented modus operandi that marked a new stage in the evolution of the jihadi threat in Indonesia by bringing whole family units, including women and minors, into combat roles (Schulze, 2018). This shift in the gendered pattern of Indonesian terrorism has also been traced in case studies of the Surabaya and Sibolga bombings, which documented women's expanding role from passive supporters to active perpetrators of suicide attacks (Achsin, 2019), a phenomenon further explained through a communitarian rather than purely individualist lens that foregrounds family and community bonds in understanding why whole households radicalized together (Resnyansky et al., 2024).

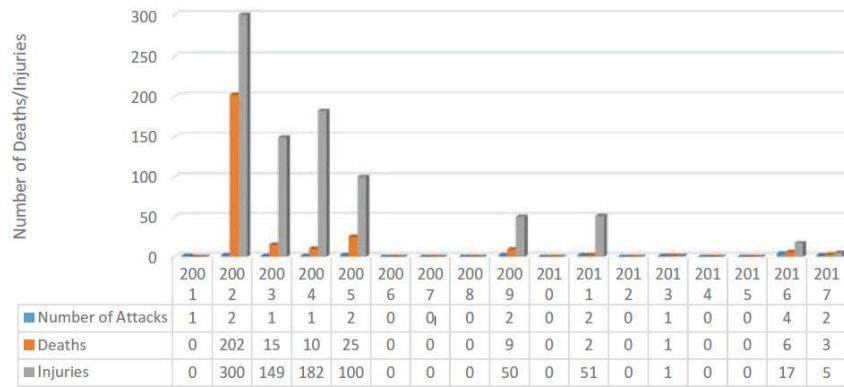


Figure 1. Attack Data Suicides 2001–2017
Source: Processed from various sources, 2025

Profile and Structure of Jamaah Islamiyah

JI was founded in 1992–1993 by Abdullah Sungkar and Abu Bakar Ba'asyir, with roots from Darul Islam, with objective establish an Islamic state and caliphate in Southeast Asia. This divided in four mantiqi (regional command) with function different: Mantiqi 1 (funding, Malaysia-Singapore region), Mantiqi 2 (jihad and recruitment region in Indonesia), Mantiqi 3 (logistics, support) Mindanao camp), and Mantiqi 4 (recruitment in Australia and Papua). JI ideology was influenced four Streams: Salafiyah (DI), DDII, Ikhwanul Muslimin/Jamaah Islamiyah Egypt, and Mujahideen Afghanistan/al-Qaeda. Guidelines his organization, PUPJI, then evolve become STRATAJI-TASTOS.

Economic Embeddedness According to Polanyi

Polanyi emphasized that action economy always attached in structure social not economics determines society, but rather on the contrary, the relationship social attached in system economy. Production and distribution guaranteed by three principal behaviors: reciprocity, redistribution, and householding. Principles reciprocity applies to groups asymmetrical (family, kinship) and based on will good (philia, Aristotle).

In JI context, economic and non- economic motives attached to a relationship social its members through two forms main:

1. **Social Currency** rewards social (recognition, status, friendship, solidarity) that JI uses to recruiting member new, build identity group, motivate participation, up to give compensation for family perpetrator bomb kill self as form reply social.
2. **Ideological Currency** referring to Thompson & Bunderson, namely commitment credible for fight for something objective or exchanged principles in relation individual-organization; actor bomb kill self believe his actions as road improve “quality life” in the eyes of God and the group, not just for the sake of material things, a doctrinal framing consistent with JI's own theological conceptualization of martyrdom, in which death in jihad is presented as a form of worship that elevates the perpetrator's spiritual status within the group (Muzayyin, 2020).

Prevention Efforts Group Terrorist Based on Approach Polanyi's Economic Embeddedness

JI is seen has carry out “commodification” fear” for strengthen position bargain towards the state. Principles Polanyi redistribution where the source Power shared from One center and returned through wise leader applied on two scales: on the scale small, leader group give material /non- material " rewards " to family perpetrator bomb kill self; on a scale big, the state as the " head " must look at group terror as part from a more diverse society wide, giving consequence just law at a time do redistribution positive through de- radicalization and fulfillment programs need socio-economic group marginalized.

Policy Handling Terrorism in Indonesia

There are five paths main policy handling funding and action criminal terrorism in Indonesia:

1. Carrying cash regulated by Law No. 8/2010 Articles 34–36, accompanied by PPATK socialization with Customs and Excise and Bank Indonesia.
2. Banking sector Law No. 8/2010 concerning Prevention and Eradication Action Criminal Money Laundering, as well as guidelines identification transaction finance suspicious related funding terrorism.
3. Non-profit organizations (NPOs) harmonization regulation, simplification registration of legal entities, development system supervision and sanctions, as well as improvement transparency and accountability of NPOs.
4. Action criminal crime Law No. 5 of 2018 concerning Action Criminal Terrorism, as well as improvement coordination between Police, TNI, and Ministry of Defense.
5. Remittance of funds Law No. 3 of 2011 concerning Fund Transfers, as well as provision activity business money transfer (KUPU) by Bank Indonesia.

Recommendation State Strategy

As implementation principal Polanyi redistribution, there is four recommendations strategic for the country in handling and prevention terrorism to front:

1. Develop pattern life tolerance and harmony social interfaith inter-religious and inter-ethnic, through constructive inter- religious dialogue synergy social.
2. Develop curriculum based multicultural from education base until high, with put forward Pancasila ideology and diversity nation.
3. Do enforcement just and consistent laws, in order to foster trust citizens against fair leadership.
4. Implement development programs economy and poverty alleviation proper poverty target for prevent inequality an increasingly growing economy big.

Counter- Terrorism Achievements

Densus 88 succeeded catch around 700 JI suspects and caused about 60 others die in enforcement law during decade last. JI stated as organization illegal by the South Jakarta District Court in 2007. Figures key like Riduan Isamuddin (Hambali), Abu Bakar Ba'asyir (imprisoned for 15 years in 2011), and Umar Patek (sentenced to 20 years) after extradited from Pakistan) has arrested or punished.

In addition to the approach hard, Indonesia implements step persuasive which includes: coaching connection with prisoners (including joint worship session by Densus 88), counter-narrative from ex- militant such as Mohammed Nasir bin Abbas and Ali Imron, collaboration

with organization religious organizations (Nahdlatul Ulama, Muhammadiyah) and the National Agency for Disaster Management Terrorism (BNPT), campaign awareness public through the media, as well as emphasis on concepts repentance (repentance) in Islamic teachings as road reintegration social for ex- militant to in public. Nahdlatul Ulama in particular has played a strategic role in this persuasive approach, using its mainstreaming of moderate Islam and denunciation of religious violence to construct a counter-narrative to extremist ideology at the grassroots level (Hamdi, 2021). Complementing this societal engagement, psychological intervention programs delivered within Indonesian prisons prior to ideological discussion have also been found to strengthen the receptiveness of terrorist inmates to deradicalization efforts (Muluk et al., 2019).

CONCLUSION

Based on the explanation above, it can be concluded that economic motives, as proposed by Polanyi, are inherent in the activities of terrorist groups, particularly those carried out by JI in Indonesia, although they are not solely driven by economic motives, but also by political, ideological, or religious goals. Reciprocity and redistribution are inherent in social activities that drive their economic and non-economic motives. JI, which has a radical Islamic ideology, aims to establish Indonesia as an Islamic state and carries out acts of terror as part of that ideology. However, economic motives also play a role in their actions, so tackling terrorism must involve a comprehensive approach, including both social and economic aspects. This group uses "social currency" in economic exchange, indicating the importance of social relations and community networks in their activities. Karl Polanyi's views on embedded economics and rejection of commodification emphasize the importance of a balance between social and economic goals; in the context of JI, social currency is used as a means of recruiting new members by offering social rewards, indicating that this group prioritizes non-economic values and social relations in its activities. Furthermore, the principle of redistribution, as envisioned by Polanyi on a broader scale, demonstrates that the Indonesian government has implemented this principle through a multidimensional approach to counterterrorism, encompassing security operations, counter-ideological efforts, legal action, and deradicalization programs. This approach encompasses the use of coercive measures such as tactical raids and criminalization, as well as persuasive measures such as engaging in dialogue with detainees, promoting counter-narratives, collaborating with non-state actors, conducting public awareness campaigns, and emphasizing the importance of repentance. However, deradicalisation efforts of this kind carry risks of their own, as they can inadvertently reshape rather than eliminate radical identities among former militants if not carefully designed (Muhammad & Hiarij, 2021), which underscores the importance of comprehensive social reintegration processes that restore former terrorists' sense of belonging within mainstream society (Mubaraq et al., 2022). Achieving this requires a genuinely collaborative governance model, since evidence from Indonesia's counterterrorism practice shows that weak coordination between government agencies and limited involvement of local governments and civil society continue to hamper the effectiveness of economic and socio-cultural empowerment programs (Aminah et al., 2023); comparative assessments of deradicalization across Southeast Asia likewise indicate that program effectiveness depends heavily on sustained multi-stakeholder cooperation rather than security measures alone (Suratman, 2017). These efforts are reinforced

by Karl Polanyi's Economic Embeddedness approach, which involves redistributing resources and integrating terrorist groups into the broader society, as well as cutting off terrorist financing. Counterterrorism programs such as Densus 88 have demonstrated success in combating terrorist groups, but given the serious and ongoing threat of terrorism, counterterrorism efforts must continue to maintain Indonesia's stability and security.

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