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Evaluating Economic Crisis Challenges and Strategies for Financial Survival in the Tough Economy of 2025

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Abstract. The decline in Indonesia's macroeconomic performance in 2025 is largely attributed to the indirect effects of the global economic crisis. This downturn has led to significant shifts in public financial behavior, with individuals becoming more cautious and adopting defensive financial strategies to maintain balance in their economic lives. This study aims to explore the interrelationship between the global economic crisis and public financial behavior by analyzing economic indicators that reflect Indonesia's economic decline in 2025. From a financial economics perspective, the study further proposes strategic approaches for individuals to remain financially resilient during periods of economic hardship. Using a qualitative content analysis approach, this research examines selected academic sources and empirical data to gain a deeper understanding of how global crises influence household financial decisions. The findings highlight several key macroeconomic challenges in 2025 that are closely linked to the global crisis, including slowing economic growth, rising unemployment and poverty rates, increasing corruption, geopolitical instability, deindustrialization, and a notable decline in both domestic and foreign investment. Based on a comprehensive review of the literature and current financial conditions, this study offers practical recommendations for financial survival in this challenging economic environment. These include: managing money wisely, increasing investment and passive income, avoiding FOMO (Fear of Missing Out), leveraging opportunities in the digital and Gig economies, and adopting frugal and simple living as a long-term financial lifestyle. These strategies serve not only to protect financial stability but also to strengthen individual resilience in navigating economic uncertainty.

Keywords: Global Economic Crisis, Financial Behavior, Indonesian Macroeconomics

1. Introduction

The year 2025 marks a challenging era for countries around the world, including Indonesia. Various issues have emerged as a result of the slowdown in global economic activity. Several domestic economic problems have also been observed to contract and decline throughout 2025, in line with the global economic disruptions. Indonesia is among the Asian countries facing economic difficulties, not only due to the global crisis but also worsened by the weakness of its internal economic foundations, which are insufficient to cushion external shocks. As the largest economy in ASEAN, Indonesia has yet to become the epicenter of economic activity in Asia. Japan, China, and South Korea continue to dominate as the strongest economies and remain the key drivers and giants of economic growth in the region.

In 2025, Indonesia's economic growth slowed to 4.87%, reflecting the broader impact of a global economic deceleration, with world growth dropping to 2.8%. The main contributors to Indonesia's slowdown were weakening household consumption and declining exports, growing only at 4.89% and 6.78% respectively. Investment activity also declined, marked by a fall in foreign direct investment (FDI) to just US$22.1 billion, or 1.94% of GDP, as deindustrialization continued. Although the unemployment rate slightly dropped to 4.76%, the number of unemployed individuals rose to 7.28 million, and poverty levels worsened. According to the IMF and World Bank, about 60.3% of Indonesians, or 172 million people, now live below the international poverty line of US$6.85 per day. These challenges are compounded by rising geopolitical tensions, especially between the US and China, and ongoing global economic uncertainty, supply chain disruptions, and tariff wars. Domestically, a tight fiscal policy and a projected budget deficit increase to 2.9% of GDP in 2025 further limit the government's fiscal space (Official Statistics News No.53/07/Th.XXVII, July 15, 2024) (Badan Pusat Statistik Indonesia, 2025). Additionally, multiple high-profile corruption scandals involving major state-owned enterprises, such as Pertamina, PT Timah, and Garuda Indonesia, have undermined public trust and further weakened the country's economic resilience during a period of mounting internal and external pressures (Irfanda et al., 2025).

Many economists argue that the global crisis has significantly influenced public financial behavior, as the situation raises critical questions about how both industries and individuals can remain financially resilient during challenging times. Chatterjee (2024) stated that developing countries tend to be more vulnerable to global crises, however, not all are equally affected those with strong adaptive capacities are better positioned to withstand negative impacts. Therefore, more robust and adaptive economic strategies are essential for maintaining stability and achieving sustainable growth. A bibliometric study by (Liu et al., 2024) highlights the complexity of financial risks, encompassing strategic dimensions such as portfolio optimization, debt maturity structure, and the integration of AI and machine learning. This research offers new insights into corporate governance and strategic responses to increasingly dynamic financial risks influenced by technological advancements and sustainability challenges (Nuryulhaida et al., 2024).

On an individual level, people employ various strategies to survive financially during tough economic times. Several studies on the impact of global crises on financial behavior emphasize the importance of precautionary savings as a household defense mechanism (Anquan et al., 2024; Ercolani et al., 2021; Lugilde et al., 2017), while others recommend financial planning and consumption restraint during downturns (Alhenawi & Yazdanparast, 2022; Loranger & Roeraas, 2023). This study aims to explore the link between the global economic crisis and public financial behavior, using data on the economic downturn in 2025 and proposing strategies for financial resilience from a financial economics perspective(Shafra et al., 2024).

2. Methods

To gain a deeper understanding of the relationship between the global crisis and public financial behavior in Indonesia, as well as to design strategies for financial resilience, this study adopts a content analysis approach within a qualitative research framework**.** Data collection was conducted to provide an overview of the global economic crisis and illustrate the decline in various monetary and financial indicators. A literature search was carried out using leading academic platforms, particularly Google Scholar, focusing on specific keywords relevant to the research themes, such as "global economic crisis" and "financial behavior in crisis economies." These keywords were carefully selected to identify literature that directly addresses the relationship between the global crisis and public financial behavior in the Indonesian context. Through a systematic search process, ten papers were selected as the most representative and substantial in discussing the issue. To enhance the analysis and visualization of findings, this study employed a mind map chart tool. This tool enables researchers to organize data in a structured and systematic manner, categorize key findings into relevant themes, and visualize the relationships between problems and solutions (Puteri, 2018), and comprehensively map out implementation strategies.

3. Results and Discussion

Indonesia's macroeconomic indicators in 2025 indirectly reflect the impact of the global economic crisis. This situation has influenced changes in public financial behavior, prompting individuals to adopt a more defensive approach by balancing their financial plans with various precautionary actions(Akhyar et al., 2024).

3.1. Economic Crisis Issues In Indonesia: Data Exploration

In general, several internal macroeconomic issues in 2025 can be seen as indirect effects of the global economic crisis. These challenges have contributed to a decline in Indonesia's overall economic performance throughout the year. The economic slowdown is reflected in the weakening performance of key macroeconomic indicators observed over the past several months. *First,* economic growth in 2025 has continued to slow. The global economy is currently facing multiple major challenges, including persistent economic uncertainty, supply chain disruptions, sluggish growth in advanced economies, and ongoing trade wars. These external pressures have had a direct impact on international trade patterns and capital flows, which in turn affect developing countries such as Indonesia. The trade war, in particular, has distorted global trade, with the IMF projecting global economic growth to slow to 2.8%, contributing to a -0.5% decline in overall output. In the first quarter of 2025, Indonesia's economy grew by just 4.87%, a figure comparable to the stagnation period during the COVID-19 pandemic. This growth rate falls significantly short of the government's target of 5.2% and is even further below President Prabowo's ambitious goal of 8.0%. The main contributors to this slowdown were weakened household consumption and exports, which only grew at 4.89% and 6.78%, respectively. The situation was further worsened by a decline in government spending due to a tight fiscal policy. In addition, Indonesia is experiencing limited inflows of foreign exchange, particularly in U.S. dollars, due to rising import tariffs. This has led to a reduction in foreign exchange reserves. The restricted capital inflows and declining international investor confidence have placed further pressure on Indonesia's economic resilience.

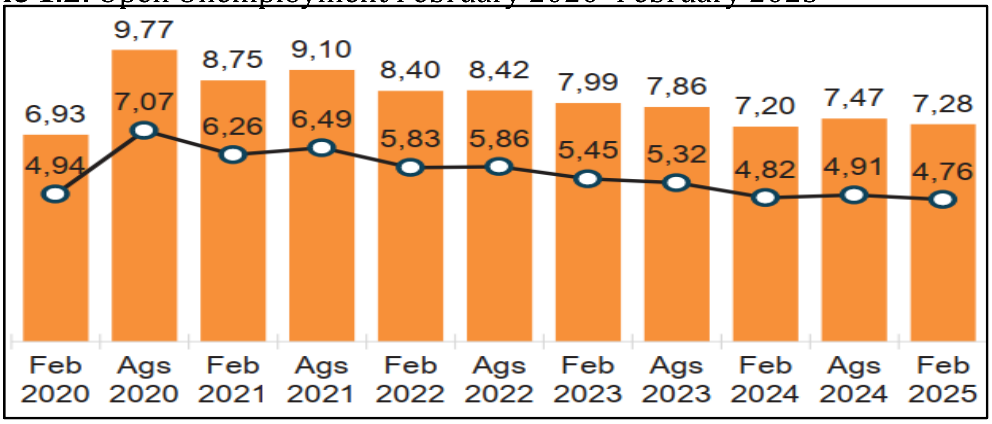
Table 1.1. Indonesia's economic growth trends from Q1 2024 to Q1 2025

Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
5.11%	5.05%	4.95%	5.02%	4.87%

(Source: Central Bureau of Statistics; 2025)

Second, Rising Unemployment Rate in 2025. Indonesia is facing a significant unemployment challenge, particularly among its youth. The labor force continues to grow rapidly, by about 3.67 million people annually, while the economy struggles to absorb this increase. Since January 2025, approximately 26,000 workers have been laid off due to weakening industrial performance. Gen Z, often referred to as the "Covid generation," has been hit hardest, having missed critical hands-on learning experiences during the pandemic, leading to a mismatch between their qualifications and industry needs. Deindustrialization, factory closures, and government budget cuts, mandated by Presidential Instruction No. 1 of 2025, have further reduced investment in education and infrastructure. This has worsened job prospects, fueling youth frustration and social movements like #KaburAjaDulu. While the open unemployment rate slightly declined to 4.76% in February 2025 (from 4.82% in 2024), the total number of unemployed rose to 7.28 million. Underemployment also worsened, with semi-unemployment at 8% and part-time work rising to 25.81% (Sakernas, Feb 2023–2025).

Table 1.2: Open Unemployment February 2020–February 2025



Source: Official Statistics News, May 5, 2025

The fact shows that 7.28 million unemployed, about 52.64% (3.9 million) are young people. This is driven by several factors such as reduced labor demand following the pandemic and global economic slowdown, mass layoffs, and non-renewal of contracts by major employers, skill mismatches, and, also unfair hiring practices such as nepotism and favoritism. Additionally, 59.45% of the workforce is engaged in informal jobs, which lack job security, fair wages, and legal protections, leaving many stuck in working-poor conditions or unemployed altogether. Further complicating the issue are rigid job requirements that demand prior experience, age limits, and specific technical or language skills, which are often unrealistic for fresh graduates. Limited access to job market information and professional networks, combined with high salary expectations among some youth, have also contributed to the difficulty in securing employment. The structure of Indonesia's labor market is also dominated by the informal sector, which accounts for 59.45% of employment. Informal jobs typically offer no job security, decent income, or legal protection, leaving many young workers trapped in poverty despite being employed, a phenomenon known as the "working poor", or even pushing them back into unemployment.

Third, Rising Poverty. Poverty in Indonesia has been increasing, and recent data from September 2024 presents contrasting perspectives based on differing measurement standards. According to the Central Statistics Agency (BPS), which uses a basic needs approach and sets the poverty line at IDR 595.242 per person per month, the national poverty rate stood at 8.57%, affecting approximately 24.06 million people. In contrast,

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the World Bank, using an international poverty line of US$6.85 per person per day (adjusted for purchasing power parity), estimated that up to 60.3% of Indonesians, around 172 million people, live in poverty. This stark disparity highlights not only the differences in methodological approaches but also the depth of economic vulnerability when assessed through a global lens.

Table 1.3: Poverty rate in Indonesia (Sept 2024)

BPS version	World Bank version
8.57%, atau 24.06 juta orang	60,3% atau 172 juta orang

Source: Official Statistics News No.53/07/Th.XXVII, July 15, 2024

Poverty in Indonesia is not solely a matter of low income it is deeply intertwined with broader issues such as inequality, limited access to opportunities, inadequate public services, and heightened vulnerability during times of crisis. Addressing these challenges requires comprehensive, long-term strategies focused on strengthening education, healthcare, employment, infrastructure, governance, and climate resilience. The problem is further intensified by a shrinking middle class, which declined from 21.5% in 2019 to just 17.1% in 2024, primarily due to job losses and a lack of stable employment. This is particularly alarming, given that household consumption accounts for over half of Indonesia's economic activity. Income inequality also remains a critical concern, with the Gini ratio reaching approximately 0.38 in 2024, among the highest in Southeast Asia. Economic wealth is highly concentrated in urban hubs like Jakarta, while rural and eastern regions remain significantly underdeveloped. Moreover, nearly 60% of the workforce is employed in the informal sector, characterized by unstable, low-paying jobs that lack legal protections or social benefits, making workers especially susceptible to falling into poverty. Corruption further undermines anti-poverty efforts by diverting public funds away from vital services and weakening trust in government programs intended to support the poor.

Fourth, Rising Corruption Index. One of the major macroeconomic issues exacerbating Indonesia's economic challenges is rising corruption. The increasing corruption index signals a worsening situation. Corruption hinders economic growth by diverting public funds, eroding trust in institutions, and discouraging both domestic and foreign investment. It also weakens anti-poverty efforts, as resources intended for essential public services are often misused or embezzled. The impact is far-reaching, reducing the effectiveness of government programs and limiting the country's ability to respond to crises. To enhance economic performance and restore public confidence, Indonesia must implement stronger anti-corruption measures and enforce the rule of law more effectively. Table 1.4 illustrates public perceptions of corruption in Indonesia from 2020 to 2024.

Table 1.4: Anti-Corruption Behavior Index (IPAK) Indonesia 2020-2024

Years	2020	2021	2022	2023	2024
Level IPAK	3.84	3.88	3.93	3.93	3.85

Source: Official Statistics News No.53/07/Th.XXVII, July 15, 2024

Indonesia's Anti-Corruption Behavior Index (IPAK), which reflects public attitudes toward petty corruption, declined from 3.93 in 2024 to 3.85 in 2024 (on a scale of 0 to 5). A lower score indicates increasing tolerance of corruption, while a higher score reflects a stronger rejection. This decline suggests weakening public resistance to everyday corruption. Meanwhile, Indonesia's Corruption Perception Index (CPI), published by Transparency International, rose slightly from 34 to 37 in 2024 (on a scale of 0 to 100), indicating a modest improvement. However, the score still points to a high level of perceived corruption. Out of 180 countries surveyed, Indonesia ranked 99th globally and fifth within ASEAN, behind Singapore, Malaysia, Timor-Leste, and Vietnam.

Fifth, Geopolitical Conflicts. The recent escalation of geopolitical tensions has caused significant economic disruptions, especially in international trade. A major example is the intensifying U.S.–China trade war. In 2025, the U.S. raised import tariffs on Chinese goods to 145%, prompting China to retaliate with tariffs of up to 125% and restrictions on key exports. These aggressive policies have impacted major trading partners, including Indonesia, India, Vietnam, Japan, the EU, Canada, and Mexico. The U.S. strategy, often referred to as the "Trump Effect," aims to reduce its trade deficit and boost domestic industry competitiveness. However, the global repercussions have been severe for Indonesia. Export competitiveness has declined, particularly in textiles, electronics, rubber, and agriculture. Efforts to diversify regional markets have stalled, while supply chains face disruptions, and FDI has shifted elsewhere. This has weakened manufacturing, exports, MSMEs, and the informal sector's GDP contribution. The rupiah has depreciated, and nations are now turning to regional cooperation to stabilize trade.

Sixth, Deindustrialization and decline in investment. Trade wars have created an unfavorable investment climate for Indonesia because it reduce industrial activity across various sectors. Heightened uncertainty, falling exports, disrupted supply chains, and growing macroeconomic pressures have made Indonesia less attractive to investors, resulting in a notable drop in investment index. In comparison to other Asian nations, Indonesia's performance is relatively weak, which can be seen from foreign direct investment (FDI) in 2023 amounting to only US$22.1 billion, and its only 1.94% of its total GDP. Many foreign companies have chosen to invest in countries like Vietnam, which offer lower labor costs, more developed public infrastructure, and a more business-friendly environment. Companies such as Lego, Apple, and Nvidia have chosen Vietnam and similar markets for these strategic advantages. This condition certainly means that Indonesia must improve a lot to remain competitive. Indonesia must take serious steps to improve its investment climate, such as reducing corruption and illegal fees, simplifying regulations, accelerating infrastructure development, supporting technological innovation and AI, ensuring legal certainty, and offering other attractive market incentives

3.1.1. Global Economic Crisis and Public Financial Behavior: Literature Search

Based on a search of relevant previous studies, some selected articles discussing the impact of the global crisis on the Indonesian economy and financial solutions to the crisis conditions can be seen in the recapitulation in Table 1.5 below:

Table 1.5. Selected Articles About the Impact of the Global Crisis on Public Financial Behavior

No	Author-Year	Tittle	Journal	Findings
1.	(Lugilde et al., 2017)	Precautionary saving: a review	*Journal of Economic*	Even though standard macroeconomic theory

		of the empirical literature.	*Surveys*, *33*(2), 481-515	supports the existence of precautionary savings in response to uncertainty, but there is no clear consensus on the strength of this saving motive or the best way to measure uncertainty.
2.	(Anquan et al., 2024)	Importance of precautionary savings for urban Chinese households.	*Review of Economics of the Household*, 1-25.	Precautionary savings account for only 15% to 25% of urban household wealth accumulation in China, lower than prior estimates. Although more significant among lower-income and non-first-tier city households, precautionary motives still explain only part of China's high savings rates, indicating other contributing factors remain.
3.	(Munir et al., 2024)	The aspects of behavioral finance with new insights: an analysis of individual investors at Pakistan Stock Exchange (PSX).	*Journal of Economic and Administrative Sciences*.	Behavioral biases such as home bias, geographical bias, salience, investor sentiment, and over/underreaction affect individual investors' decisions at the Pakistan Stock Exchange. These biases shape investor behavior and hinder rational decision-making. Its practical implications are valuable for financial advisors, policymakers, and market participants aiming to increase investor awareness and promote more informed financial decision-making.
4.	(Ercolani et al., 2021)	Fears for the future: Saving dynamics after the Covid-19	*COVID-19 Note; Bank of Italy: Rome, Italy*, 1-6.	The heightened job uncertainty and fear of future pandemics drove increased precautionary

		outbreak.		savings among Italian households during COVID-19. While financial strains limited savings for some, many boosted savings due to caution. These reinforced attitudes may slow post-pandemic spending, reducing the expected surge from pent-up demand.
5.	(Hoechle & Graef, 2024)	Household savings in times of crisis.	*Finance in Crises: Financial Management Under Uncertainty* (pp. 199-217). Cham: Springer Nature Switzerland.	Less financially savvy individuals are at greater risk of under-saving, however high-income households show varied saving patterns. Present bias, inertia, upbringing, and genetic factors significantly influence saving decisions, with implications for policy and financial planning.
6.	Aksoy, M., & Yilmaz, M. K. (2024).	Financial performance of emerging market companies during the COVID-19 pandemic: moderating role of sustainability performance.	*Journal of Global Responsibility*.	Sustainability performance (SP) played a crucial role in supporting firm profitability (FP) and enhancing resilience among firms in emerging markets during the COVID-19 pandemic. Firms with strong environmental, social, and governance (ESG) practices experienced better financial outcomes during the crisis period in 2020–2021.
7.	Alhenawi, Y., & Yazdanparast, A. (2022).	Households' intentions under financial vulnerability conditions: is it likely for the COVID-19 pandemic to	*International Journal of Bank Marketing*, *40*(3), 425-457.	This study explores how the COVID-19 pandemic has triggered long-term shifts in households' financial intentions and found that the stress and financial vulnerability experienced during the

		leave a permanent scar?.		pandemic have led to defensive behaviors in spending, saving, and investing.
8.	(Loranger & Roeraas, 2023)	Loranger, D., & Roeraas, E. (2023). Transforming luxury: Global luxury brand executives' perceptions during COVID.	*Journal of Global Fashion Marketing*, *14*(1), 48-62.	COVID-19 accelerated shifts in consumer behavior and luxury brand strategies, and highlights key industry changes, including increased market segmentation and evolving luxury perceptions. so, luxury firms must adapt to these lasting changes to remain competitive in the post-pandemic landscape.

Based on a systematic review of selected articles, the global economic crisis has a strong influence on individual financial behavior for several reasons. *First*, Rising Economic Uncertainty. Individuals tend to adopt more defensive financial strategies to maintain a balance between consumption, saving, and investment. The global crisis heightens defensiveness due to a combination of economic uncertainty, fear of loss, shifting future expectations, and the desire for long-term financial stability. (Alhenawi & Yazdanparast, 2022). High uncertainty about income, employment, prices, and overall financial stability leads individuals to reduce non-essential spending. Fear of job loss also encourages increased saving as a form of financial protection. Precautionary Saving Theory explains that income uncertainty drives individuals to save more as a safeguard against future risks. Uncertainty significantly affects decisions on consumption and saving through this precautionary motive. However, debates remain in the economic literature regarding the exact intensity of this saving behavior and the most accurate measures of uncertainty (Lugilde et al., 2017).

Second, Declining Trust in the Market**.** Financial markets tend to become volatile or even crash during economic crises, causing individuals to be more reluctant to invest due to fear of losses. As a result, many shift their funds from high-risk investments to safer assets (safe havens), or even keep their money in cash. The concept of loss aversion from Prospect Theory suggests that people perceive losses as more painful than the satisfaction gained from equivalent gains, making them especially defensive during crises. Munir et al., (2024) highlight the presence of behavioral biases influencing individual investor decisions in the stock market during economic downturns. Factors such as information asymmetry and cognitive biases—including home bias, geographical bias, investor sentiment, salience, and over/under-reaction, have a significant effect on investment choices. The study emphasizes that behavioral finance becomes more defensive during crises, offering valuable insights for capital market practitioners and policymakers to better understand and mitigate the effects of bias in investment decisions.

Third, Shifting Consumption Priorities. During times of crisis, financial priorities shift from luxury or non-essential goods toward basic needs such as food, housing, and healthcare. The COVID-19 crisis, for instance, accelerated changes in consumer behavior and luxury brand strategies, highlighting major shifts such as increased market segmentation and evolving perceptions of luxury. As a result, luxury firms must adapt to these enduring changes to remain competitive in the post-pandemic landscape (Loranger & Roeraas, 2023; Puteri, 2025). Households have also attempted to reorganize their budgets to become more efficient. However, not all households, especially those in the middle and lower-income groups, have access to precautionary savings. A study by (Anquan et al., 2024) about on the impact of income uncertainty on household wealth accumulation in urban areas, found that precautionary savings account for only about 15–25% of total wealth accumulation. This suggests that precautionary savings alone cannot fully explain the high saving rates among households during times of uncertainty.

Fourth, Negative Expectations About the Future. Economic crises have a significant psychological impact on individuals, especially in shaping negative expectations about the future. The uncertainty caused by a crisis tends to increase pessimism, even among those not directly affected. Expectations Theory in behavioral economics states that perceptions of future risk can influence current economic behavior, including the tendency to delay consumption and investment (Dechaux, 2015). This aligns with the findings of the Precautionary Saving Theory, which suggests that individuals increase savings and postpone major expenditures when faced with income uncertainty (Carroll & Samwick, 1997; Lugilde et al., 2017). As a result, long-term financial decisions such as purchasing a home, vehicle, or making other investments are often postponed to preserve financial stability. The COVID-19 pandemic served as a major lesson, as Ercolani (2021) found that household savings increased due to concerns over job insecurity, prolonged health crises, and the risk of future pandemics. Even for households experiencing financial hardship, the motivation to be cautious led to increased saving and slowed the decumulation of savings accumulated during the pandemic.

Fifth, Social Pressure and Media Amplify Financial Insecurity. Social environments and media coverage often intensify the sense of crisis within society, heightening psychological pressure on individuals. News of mass layoffs, rising inflation, and currency depreciation contribute to a growing sense of financial insecurity. As a result, people begin to adopt defensive behavior patterns, such as the popular mindset "save now, splurge later." This defensive motive can hinder economic recovery, as suppressed purchasing power and ongoing deindustrialization slow down the momentum of the real sector. A study (Aksoy & Yilmaz, 2024) analyzing post-COVID-19 deindustrialization found that sustainability performance (SP) served as a safeguard for firm profitability (FP) and improved corporate resilience in emerging markets. The three dimensions of sustainability, Environmental, Social, and Governance (ESG), were shown to have a positive impact on firm profitability in the post-pandemic era. These findings highlight that ESG principles not only support social and environmental goals but also act as an effective risk mitigation strategy during times of crisis.

3.1.2. How To Survive Financially In Global Economic Crisis 2025

There are several strategies individuals can adopt to remain financially resilient during times of economic crisis. A review of recent data and prior research highlights actionable approaches for navigating financial uncertainty. Table 1.6 below outlines practical strategies and their corresponding action plans to help individuals maintain stability during the 2025 global economic downturn.

Table 1.6. Mind Map: Strategies for Financial Survival During an Economic Crisis

No	Strategies	Action Plan
1	Manage Money Wisely	Avoid new debt, evaluate each expense carefully, and avoid financial risks such as impulsive or speculative ventures.
2	Boost Investment & Passive Income	Increase returns from interest, dividends, rental income, royalties, or franchise profits.
3	Don't Let FOMO Control Your Finances	Understand financial products before buying, maintain a long-term financial plan, and avoid rushed investment decisions.
4	Leverage Digital Economic Transformation	Utilize e-commerce, live shopping platforms, ride-hailing apps, fintech, mobile banking, and online learning tools.
5	Explore the Gig Economy	Tap into freelance opportunities such as online tutoring, graphic design, ride-hailing, digital product sales, or live-stream selling.
6	Adopt Frugal & Simple Living	Embrace minimalism, cut unnecessary spending, avoid high-interest debt, and create a needs-based budget with clear priorities.

First, Manage Money Wisely . There are several wise steps that can be implemented during times of economic hardship. Avoid taking on new debt, especially for consumption, as it only adds financial pressure. This is particularly risky for individuals with unstable incomes, who may fall into traps such as online loans, "buy now, pay later" schemes, or consumer installment plans. Be intentional with every expense. Manage your finances carefully and ensure that every amount spent serves a clear purpose. Cut down on unnecessary spending, this isn't about being stingy, but about prioritizing saving. Avoid financial risks. Jobs or businesses may decline at any moment, so don't rush into investments or business opportunities that you don't fully understand. Stay away from speculative ventures or franchises if you're not familiar with their risks. Financial wisdom and caution are essential to staying resilient in uncertain times.

Second, Boost Investment and Passive Income. Boosting investment and passive income is essential for achieving financial freedom, especially during an economic crisis. Financial freedom means having enough income to cover your needs without relying solely on active work. For those with stable incomes, it supplements earnings; for those with unstable incomes, it offers much-needed security. Investment income includes interest (from bonds, sukuk, mutual funds, asset-backed securities, or P2P lending) and dividends (from stocks or equity crowdfunding). Passive income comes from rental properties, royalties, or franchises. Financial experts suggest starting with strong active income, then gradually shifting to long-term investment strategies. Young people should focus on capital gains and dividends, while adults with steady incomes should prioritize interest-based and sustainable passive income sources to build long-term financial resilience.

Third, Don't let FOMO (Fear of Missing Out) control your finances. FOMO often drives people to make impulsive investment decisions simply because others are profiting, without fully understanding the risks involved. This behavior is common across various financial instruments such as stocks, crypto, gold, mutual funds, and IPOs. Many individuals buy assets at peak prices due to trends or social media hype, rather than rational planning. To avoid FOMO, it's crucial to first understand the financial product, develop a long-term financial plan, and avoid reacting to short-term information. Smart investing requires thorough research and patience, including understanding economic cycles, like buying gold when prices are low and selling at their peak, or investing in stocks during a recession and selling during recovery. The golden rule is "save and invest first, not just from what's left after spending". Diversification is key, spread your risk across asset types. Choose low-risk options if you're uncertain, such as gold, money market, fixed income.

Fourth, Leverage the Digital Economic Transformation. Digital economic transformation refers to the integration of technologies such as the internet, big data, AI, IoT, and blockchain to create new economic value and innovative business models. Indonesia holds great potential in this area, with projections estimating its digital economy will reach IDR 2,100 trillion (approximately USD 128.47 billion) by 2025. E-commerce contributes the largest share, accounting for 56% of this value, followed by transportation and food (USD 36.5 billion), online travel (USD 30 billion), digital media (USD 26 billion), and digital financial services (USD 22 billion) (iPro Digital, 2025). Practical examples of this transformation include e-commerce and live shopping in retail, ride-hailing apps like Gojek and Grab, fintech and mobile banking in finance, and online learning platforms in education. To optimize this transformation, Indonesia must strengthen digital infrastructure (high-speed internet, cloud computing, data centers, 5G networks), foster digital ecosystems (startups, fintech, platforms), and improve human capital through digital skill development.

Fifth, Take Advantage of the Gig Economy Trend. The Gig economy refers to a modern work trend characterized by short-term contracts, freelance jobs, and independent work, typically facilitated by digital platforms such as Uber, Grab, Upwork, Fiverr, Airbnb, and TaskRabbit. The core of the Gig economy is not just about technology, but about organizing work more flexibly. This model offers solutions when traditional businesses struggle or startups face growth challenges. Success in the gig economy requires various skills, such as designing posters or videos with Canva or Cap-Cut, creating social media content for Instagram, TikTok, and YouTube, and performing basic administrative tasks like scheduling, reporting, and email management. Skills in selling through e-commerce platforms like Shopee and Tokopedia, providing excellent customer service, and offering freelance services, such as writing, translating, or virtual assistance, are also essential. Gig roles include online motorcycle drivers, freelance designers, online tutors, cleaners, Airbnb hosts, live sellers, and digital product creators like eBooks, design templates, stock photos, online courses, and content creators.

Sixth, Frugal Living and Simple Living. Frugal Living and Simple Living have become increasingly relevant in today's economic uncertainty and consumer-driven society. Many financially successful individuals owe their stability not to high income alone, but to their ability to control spending. They may appear modest but own valuable assets. This lifestyle emphasizes prioritizing needs, minimizing wants, and managing money wisely. Practical frugal living tips include tracking expenses to identify unnecessary spending, meal planning by cooking at home and buying in bulk, and distinguishing between needs and wants. Using cash or debit card helps avoid debt and high interest. Other strategies include DIY repairs, buying secondhand items, saving on electricity, canceling unused subscriptions, saving for big purchases, and negotiating bills. In Islam, frugal living aligns with core values: budgeting based on needs (daruriyyat), then to wants (hajiyyat), and luxuries (tahsiniyyat), avoiding waste (israf), living simply even in wealth, and giving charity. Islamic teachings also emphasize qana'ah (contentment), and balancing tawakkul (trust in God) with ikhtiar (effort), encouraging wise financial planning.

4. Conclusion

Financial freedom may be an ideal goal during times of economic stability or boom, but surviving financially during a difficult economic period, such as in 2025, is far more challenging. The bad economic outlook is reflected in various macroeconomic indicators, which show a decline in nearly all monetary performance. Economic crises significantly affect individuals' psychological well-being, especially in shaping negative expectations about the future. The uncertainty caused by the crisis increases pessimism, even among those not directly affected financially. This study explores the complex relationship between the Global Economic Crisis and Public Financial Behavior, while proposing strategies on how to survive financially in difficult times. Using a qualitative content analysis approach, selected articles were analyzed with the help of mind maps to identify financial and economic challenges. Existing data were carefully reviewed, and insights from both analyses were used to design strategic financial survival plans for the 2025 crisis. Several action plans were derived from key strategies, including: managing money wisely, boosting investment and passive income, and leveraging digital economic transformation and the Gig economy as pathways toward financial resilience. Additionally, the principles of frugal and simple living complete the framework for surviving and remaining optimistic in this tough economic era.

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