

Enhancing Local Government's International Competitive Advantage Through Entrepreneurial Government and Paradiplomacy Activities

Tonny Dian Effendi

Jurusan Hubungan Internasional, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Muhammadiyah Malang

Email : tonny_dian@yahoo.com

Abstrak

Otonomi daerah membawa peluang bagi pemerintah daerah untuk mengembangkan potensi daerah ke ranah internasional melalui aktivitas *paradiplomasi*. *Paradiplomasi* adalah aktivitas diplomasi yang dilakukan oleh aktor selain pemerintah (pusat) termasuk pemerintah daerah. Namun permasalahan yang dihadapi adalah kurangnya kemampuan dan pengetahuan dalam menggunakan potensi daerah menjadi daya saing internasional. Maka diperlukan sebuah konsep yang di sebut dengan *entrepreneur government* yang mencoba mengubah paradigma dari *monilistic bureucratic government* menjadi *entrepreneurial competitive government* yang mengharuskan pemerintah daerah mengubah dirinya menjadi pemerintah daerah yang berorientasi kepada pelanggan (*customer-driven government*) dan bertanggungjawab (*accountable government*) kepada seluruh *stakeholder*-nya secara berimbang. Penelitian ini merupakan penelitian kualitatif dengan metode studi pustaka. Hasilnya adalah dengan *entrepreneur government* maka akan terjadi sinergi segitiga antara pemerintah daerah, masyarakat dan perguruan tinggi dimana pemda akan mampu memetakan, mengelola dan mengembangkan potensi daerahnya yang berdaya saing dalam prinsip kewirausahaan yang bertanggungjawab.

Kata Kunci : pemerintah daerah, *paradiplomasi*, *entrepreneur*, globalisasi

Abstract

Local Autonomy have been brought opportunity for local government to enhance local potential for international level by paradiplomacy. Paradiplomacy is a diplomacy activity done by non (central) government including local government. But, the most problems are lack of knowledge and capability for using local potential as international competitive. It is need a concept call entrepreneur government which tried to change paradigm of monilistic-bureucratic government to be intreprenurial competitive government which ask local government to change it self to be customer-driven government and accountable government for its stakeholders. This research is a qualitative research by literature study. The result is that entrepreneur government will create a synergy between local government, society and higher education, where local government can do mapping, managing and enhance its competitive local potential in a balanced entrepreneurship principles.

Keywords : local government, *paradiplomacy*, *entrepreneur*, globalization

PENDAHULUAN

There are three main problems faced by local government when they try to create international relation and cooperation. First, low of understanding from decision makers in local administration about international relations. This is very influencing on the approach and view to the international cooperation concept. The impact is the cooperation has brought negative impact to the government and people, or misperception from the investor or foreigner about the local government and people. Second, few of human resources in the local government, who have good capabilities and knowledge about international relations. There just few staff who can speak English and have good capabilities on negotiation skills. Third, lack of infrastucture which supporting the international activity. Although some local government have division of cooperation but, almost of them have focused on local cooperation, or cooperation with other local government in the country. Those three problems influence to the effort to enhancing competitive advantages of local government when they create international cooperation.

Based on International Marketing Scholar, Hermawan Kartajaya, the main problem is that many decision makers in at local level, still using the old paradigm to strengthening local potential (Kartajaya and Ruswohady, 2005). The paradigm called bureaucratic-monopolistic government. This paradigm means that local government still argue that all about ingrowing local potential is on the hand of bureaucracy in local government. It is means that on the decision making process is centralized to the government to decide the priority of development. The new paradigm is entrepreneurial-competitive government. The entrepreneurial government describes about the local government who clear on seeking the local potential and think to use it as competitive advantage to create wealthy people. And, the competitive government describes about the government efforts to supporting competition on public service, what we called excellent service, to the constituent as investor, tourist or common peoples.

Beside the need to change of the paradigm, it is also need to create synergy among neighbour local government. The international relations done by non government (central government) actors, including local government, called paradiplomacy. Paradiplomacy is describes about the activities done by local government to create international relations and cooperation with many foreign partners, both government and private sectors. In developed countries, many local government have done this activities (Andre Lecours, 2008). But in Indonesia, the implementation of the paradiplomacy activity seems un-effective. It is need of coordination and cooperation among neighbour local government to develop a consortium for international relations. The good example of this effort is Japan. Japan's local administration creating a council called Council of Local Administration for International Relations (CLAIR). This council play not only as coordination body but also as a center for development of local government on international relations, including doing research and human resources development.

This articles try to combine both concept of entrepreneurial-competitive government and paradiplomacy activity. The basic assumption of this article is that local government

enhancing their local competitive for their international relations and cooperation when they can accepting entrepreneurial-competitive government's paradigm and principles, and then take synergy with other neighbour local government on paradiplomacy activity for common goals. This article base on qualitative research with literature study method.

PEMBAHASAN

The paradigm changing from bureucratic-mopolistic government to the entrepreneurial-competitive government actually based on two main points. First, changing of the actors who involved to the decision making process that is not only by government but also considering public opinion on marketing approach. Second, changing on management of potential and opportunity of international cooperations to be more marketable by using marketing principles. The main point of entrepreneurial-competitive is customer-driven orientation and accountable government. Customer-driven orientation is how local government concern and care to the customer's need. To get information about customer's need, local government should often take approach and survey to get information from society, investor, tourist and other customer. The information, then, use for the base line study for the decision making process and then, to be implemented to the people as responsibility. That is called accountable government.

Another change in the entrepreneurial-competitive government is that the local government should have global-cosmopolit orientation. It does means that the government have global view, open to all of global resources that contribute to the development to increasing people's quality of life. the activities that can be done is how to design a local which can fulfilled and make satisfied and expectation of the costumers, where the costumer are common people in the society that need for public services, TTI (trader, tourist, investor) both from inside or outside, and TDO (talent, developer, event organizer), and all of who contribute to developpe the local competitive advantages (Kartajaya and Yuswohady, 2005).

To creating the design, local government should to develop a special strategy called entrepreneur-strategy. The bureucratic approach on the local marketing is more oriented to the procedure and fix rule of bureaucracy that can cause lack of the consciousness to the constituent's need. In other hand, entrepreneur-strategy is more pragmatism, because it is oriented to the result and conscious to the opportunity, focus on the constituent's need and expectation and also responsive to the change in the macro level. The strategy has implemented on the long term vision of the local government, developing entrepreneurial culture for all of the people or human resources and arranging solid local government strategy.

The activities on entrepreneurial-competitive government as a complete is following of some integrated activity. They are mapping of customer and competitor, analysing of local potential, strategy including segmentation, targeting and positioning, tactic including differentiation, marketing mix and selling, promotion and value including mark, service and process. Developing a local competitive advantage is an effort to increasing productivity that will increasing people's quality and standard of life in long term. The basic of this concept is

the effort to attracting the best resources from inside and outside as base for the local to enhance their productivity.

The other problem is while the local government have been succeed to change their paradigm toward entrepreneurial-competitive advantage, the question is how they can develop it better by take cooperation with other local government? In the implementation of local government's international relations, is not all of the things that they want can be accomplished. It is because un-match in some field with the foreign counterparts. The problem then, there are some opportunity will be lost. In other hand, the un-match opportunity may be can be matched with other local government. So, it is need a new formula to make cooperation among the local government on the international relations level. This formula can give the best solution for the local government cooperate each other, make a coordination and get the effective international relations.

The paradiplomacy activity on it's implementation, is divide into three levels (andre Lecours, 2008). The first level is related with the economics issues. On this context, the paradiplomacy activities is used for self expression to the international world to attracting foreign investor and inviting international company to the local and opening the export market. The second level is related with the cooperation on culture, education, technology etc. And the third level is related with political consideration. On this context, paradiplomacy activities used to showing the existence of the local government that special and different with others. Some cases related with this third level are in Quebec, Flanders, Catalonia and Basque. In the developing countries, the paradiplomacy activities give important implication. First, this activity give some options including economics development, culture exchange technology, etc. The local government from each countries can create cooperation each other based on the similarity or exchange on local potential which will creating mutual advantages. Second, the paradiplomacy activity is need for adoption in each local. Paradiplomacy need for a structure which give some access to the international world to enter and take relations including provides many tracks on international relations. Third, paradiplomacy activities give the opportunity to developing democracy where the public participation is very important to develop the international relations because on that relations, it is very possible that the people on the local can make relations or cooperation with the people in other country. This is called people-to-people diplomacy.

Based on the experience of Japan, the paradiplomacy activities is very important to supporting local development. The main reason is in the recent time, in our daily life, we can not release from the international aspect. Everyday the people have been touched with international. So, in local development, we can not cut the relations with the change in international. International cooperation is not only important but also significant today. The common understanding need to create experience exchange in some field especially to the local who have similar potential (CLAIR, 2007)

Based of the entrepreneurial-competitive government and paradiplomacy activities, so it is very possible to give solution for the problem related with low understanding of international relations and human resources. The local government can make it together. The

entrepreneurial-competitive government is used for domestic local government, while paradiplomacy activities are used for connecting with outside. The implementation of these activities is establishing a coordination body or consortium of neighboring local governments, to take cooperation, idea exchange, strengthening each other and creating synergy on international relations. Learning from the CLAIR concept that has developed in Japan, in Indonesia it is very possible to establish a similar body in Indonesia as a place for broad international cooperation network. For example, there are three local governments in Malang Raya. They are Kabupaten Malang, Kota Malang and Kota Batu. They can establish a coordination body or consortium for international relations that will create synergy and exchange on their efforts to connect with international.

The next question is how while the local government has similar commodity? On the concept of entrepreneurial-competitive government, one of the key words is how the local government can develop the differentiation from other local governments. By using marketing principles, it will give a solution to a conflict because every local government has their own focus and their segmentation is also different. The consortium will give more advantages for all of the members because they can discuss the strategy that they can do together. In this way, the involvement of the local higher education is also very important because they can act as a think tank, provide information based on research.

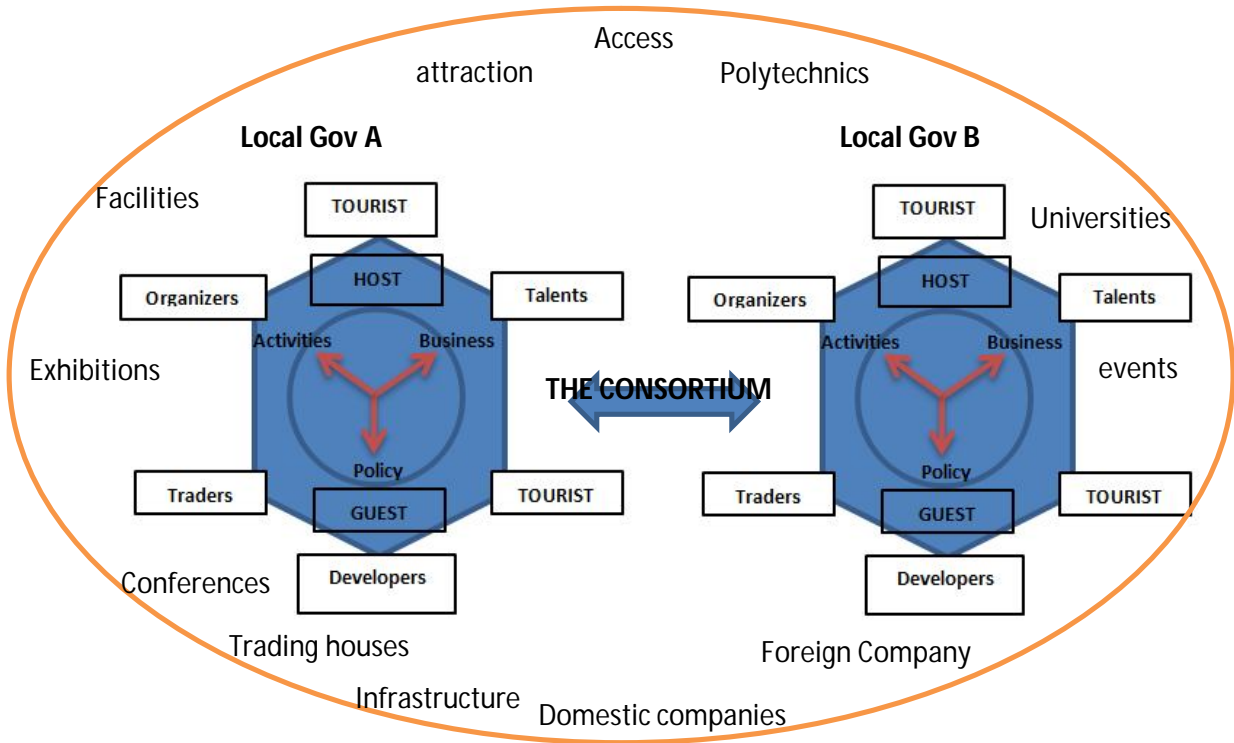


Figure 1. The Combination of Entrepreneurial-Competitive Government and Paradiplomacy Activities on Consortium of Local Government for International Relations.

CONSLUSION

There are many things that should be done by the local government in the local autonomy era, especially on local potential development which has competitiveness in the global market. One of the main problems is low understanding of international relations and few human resources who have good capabilities on negotiation and diplomacy. The low understanding can influence the low competitiveness when facing global actors. While few human resources will influence the un-efficiency on the implementation of international cooperation.

The solution proposed in this article is that the change should be done internally and externally by the local government itself. Internal change relates to the changing of the paradigm to be entrepreneurial-competitive government where there is reorientation to local management by using strategic-entrepreneurial as a strategy for local potential development. While external change is by establishing a consortium for international relations of neighbour local government, where the final destination is the international relations of local government which coordinate together to create synergy with their specification.

BIBLIOGRAPHY

- Aziz, Abdul. 2003. *Desentralisasi Pemerintahan : Pengalaman Negara-negara Asia*. Sleman : Pondok Edukasi
- CLAIR. 2007. *Local Government in Japan*. Tokyo : Council of Local Authorities for International Relations
- Dong-Sung Cho and Hwi-Chang Moon. 2003. *From Adam Smith to Michael Porter: Evolusi Teori Daya Saing*. Jakarta : Penerbit Salemba Empat
- Elashmawi, Farid, 2002, *Competing Globally : Sukses Bersaing dengan Negosiasi dan Manajemen Lintas Budaya*, Jakarta : PT. Gramedia Pustaka Utama
- Kartajaya, Hermawan and Yuswohady. 2005. *Attracting Tourists, Readers, Investors : Strategi Memasarkan Daerah di Era Otonomi*. Jakarta : PT Gramedia Pustaka Utama
- Kartajaya, Hermawan, Kotler, Philip, Hooi Den Huan, 2011. *Merebut Pasar ASEAN : Peluang dan Tantangan Bisnis di Asia Tenggara*. Bandung : Penerbit Kaifa
- Lecours, Andre. 2008. *Political Issues of Paradiplomacy : Lesson From Developed Countries*, Amsterdam : Netherland Institute of International Relations 'Clingendael'
- Prado, Cesar de. 2007. *Global Multi-level Governance : European and East Asian Leadership*. Tokyo : United Nations University Press