

Internationalisation Local Government in the Era of Bureaucracy Reform

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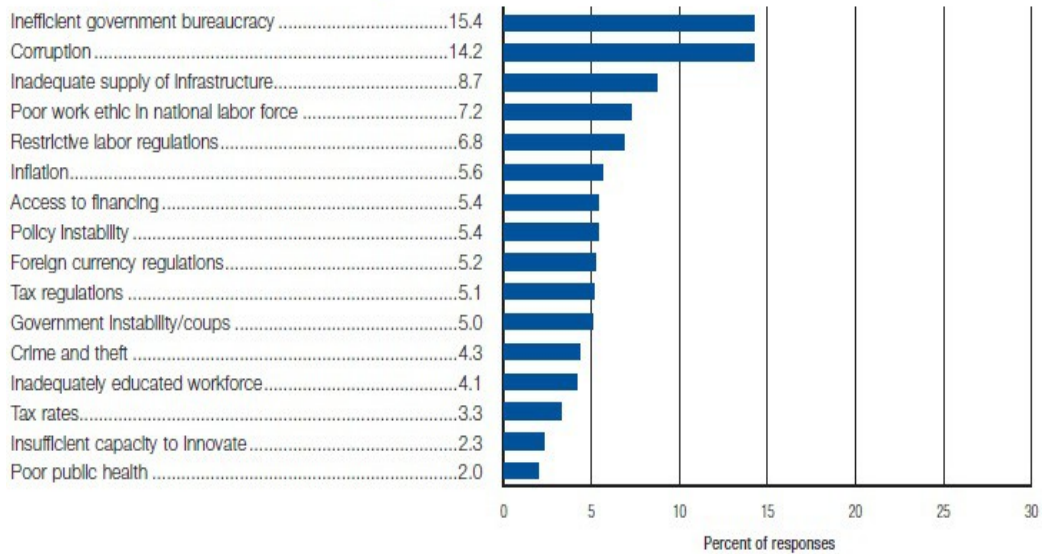
***Abstract:** Deteriorating performance of the bureaucracy in Indonesia are pessimistic effect on the readiness of the government apparatus to compete in the global dynamics that are supposed to give a greater role for the establishment of bureaucratic reform. In relation to the governance reform is this relevant to the status of local government administration in order to improve the efficiency, effectiveness, and accountability of public sector absolutely must be supported by the implementation of regional autonomy to the maximum capacity and the role of regional resources to proactively explore the potential of the area. Deal with situations and conditions as well as changes in the global dynamics of each area encourages restructuring, revitalization and recreation of as part of regional efforts to create competitive advantage in the era of global competition towards the global learning organization (Marquads and Reynolds, 1994). The occurrence of global democracy as artikulasi a paradigmatic shift of thinking related to regional autonomy and representation deglobalization liberalization of local government that provides more space for the area to build their regional response observed and utilize current global environmental change, which is based on the ability of local governments to utilize intangible assets in the form of concept, competence and connection (Kanter, 1995).*

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Based on the results of the annual report of the World Economic Forum (WEF) which menerbitkan The Global Competitiveness Report 2012-2013 which presents comprehensive data on the Global Competitiveness Index and its constituent elements are measured based on the results of the executive opinion survey in each country and secondary data obtained from institutions internationally such as the IMF and World Bank as well as the statistical office of each State, showing the interpretation of the global competitiveness index in 2012 that Indonesia was among the ASEAN countries are in a position to under 50 in Singapore as the country's highest competitiveness ranking in 2012 after Malaysia (to 25), Brunei Darussalam (28), Thailand (38). This year Indonesia has decreased the global competitiveness index, from 46th position (2011) to 50th (2012) are among the factors that reduce the competitiveness of Indonesia is the institutional pillars of which are indicators of impede government services business in Indonesia such as bureaucracy, corruption, and infrastructure as indicated in the following table:

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The most problematic factors for doing business



Note: From the list of factors above, respondents were asked to select the five most problematic for doing business in their country and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

The poor performance of the bureaucracy in Indonesia complained also by the BKPM chief said that the performance of government officials who are not professional make bloated bureaucracy that costs investors to Indonesia suspended. Based on government data seniilai investment realization in 2011 while the 2012 target of 251.3 trillion worth 290 trillion, january-september realization only reached 229.9 trillion, or 81 percent, whereas 2 (two) international rating agencies Moody's and Fitch Ratings gave investment grade ratings to Indonesia, which means it is the realization of the investment could be greater. Not only affected the investment, export performance also be affected by the ballooning cost of production as a result of the performance of officials who are not professional make tough competing domestic products resulting flow of imported goods became so heavy that depleted foreign exchange (Reuters, December 6, 2012).

Impact of deteriorating performance of the bureaucracy in Indonesia are pessimistic effect on the readiness of the government apparatus to compete in the global dynamics that are supposed to give a greater role for the establishment of governance reform of the bureaucracy as an efficient, quality in service, accountable, transparent and able to adapt to the changing environment turbulence national, regional and global that it now has been done by some countries in the world to better understand the characteristics of the principles of good governance (UNDP, 1997) and align optimally create a policy framework that supports economic climate, conducive social and political in the era of free trade which requires changes in the structure of government di9 local supporting increased investment in the country.

Autonomous role in improving Competency Resources Regional Governance Reform

Effectiveness of resource management in local government apparatus has become a necessity in the transformation of the building into the entrepreneurial spirit of the public sector (Ted Gaebler, 1992) which focuses on the growth of community empowerment (empowering) to reduce dependency on the government to reform the bureaucracy (reinventing government) as part of the people's demands for a fundamental change of the concept of thinking public officials committed to building the image of the area for the maintenance of public sector services are participatory, democratic, clean and free of corruption as well as system-oriented and market mechanisms. In relation to the governance reform is this relevant to the status of local government administration in order to improve the efficiency, effectiveness, and accountability of public sector absolutely must be supported by the implementation of regional autonomy to the maximum capacity and the role of regional resources to proactively explore the potential of the area which is used as the source financing development without reducing the persistence of hope and help section (sharing) of the Central Government and the use of public funds in accordance with the priorities and aspirations of the people.

Deal with situations and conditions as well as changes in the global dynamics of each area encourages restructuring, revitalization and recreation of as part of regional efforts to create competitive advantage in the era of global competition towards the global learning organization (Marquads and Reynolds, 1994) that the maximum increase the effectiveness and patterns and the structure of local government as part of efforts to improve and encourage investment interest in the region that is expected as the main driver of economic growth and regional development (engineer of growth) with the ability to attract investors to encourage regional economic growth as well as a large multiplier effect. Thus the spirit of building local governance reform within the framework of regional autonomy is able to give freedom to the region in the development of the region through the efforts undertaken to increase the active participation of the government and its people, which refers to the three main missions that support the implementation of regional autonomy, namely: (1) Creating and implementing resource efficiency; (2) Improve the quality of public services and welfare; (3) Empower and create a space for people to participate (participation) in the development process.

Internationalization of Local Governance in the Era of Globalization

In the context of liberalization specifically define terms about globalization issues that must be addressed as a global consequence that has meaning to the interaction and interdependence between the countries with the cooperation of other countries in the container that includes the issue of democratization and egalitarian development in the field of social and economic development. Art Scholte (1999) defines globalization that will happen (1) the growing internationalization of international relations, (2) which is defined as economic liberalization, a country that no longer has borders with other countries (borderless world) as there is no export tariffs and imports, foreign exchange and migration traffic there its borders between countries, such as import-export tariffs,

foreign exchange flows, and migration, (3) universalization which is described as the spread of things material and immaterial to the whole world, (4) Westernization, as one form of universalization with the spread of western thought and culture so globalized.

Globalization is also characterized by the emergence of global governance institutions that have power beyond the capability of influencing the policies of the nation state, as proposed by Kavaljit Singh explained that the process of globalization is characterized by five key developments, namely: (1) The growth of international financial transactions are fast; (2) Rapid trade growth, especially companies multinational; (3) Wave of foreign direct investment (FDI), which received broad support from multinational corporations; (4) The emergence of global markets; (5) Technology deployment and various thoughts as a result of expansion of transportation and communication systems quickly and covering the whole world.

Thus the impact of globalization in the broad system of government that led the local government to be actively involved in global policy eddies although it is actually in the socio-political aspects of the order is limited to the territory of a country which itself spur the readiness of local governments in the global arena. The thing that is going to strengthen the pull between the interests of the local government institutions of global governance is in line with the spirit of building area with a full discretion given local governments to regulate the rights, powers and obligations of their own affairs and interests of local communities in accordance with legislation (Act No. 32 of 2004).

Since the enactment of Law no. 32 of 2004 on Regional Government, in a positive way to bring change in the delivery system of government that had been done in a centralized by making the area as development actors have the discretion to empower local initiatives and to encourage public participation in the governance process and development both nationally and globally, as it was stated Chairman of the regional Legislative Assembly of the Republic of Indonesia Irman Gusman (AP) that in the context of the internationalization of the Indonesian nation faces two major challenges that globalization of the world as well as the progress of the region through regional autonomy systemic effect on the structuring of social systems, economics, and politics in Indonesia. Globalization also forced Indonesia to compete with other countries in the world in the use of natural resources, trade in goods and services, as well as international relations in general since the era of regional autonomy is a new formulation of the concept of development based on the philosophy of democratic participation in the global era.

The occurrence of global democracy as artikulasi a paradigmatic shift of thinking related to regional autonomy and representation deglobalization liberalization of local government that provides more space for the area to build their regional response observed and utilize current global environmental change, which is based on the ability of local governments to utilize intangible assets in the form of concept, competence and connection (Kanter, 1995) in response to the global dynamics is consequently the principle of ideal governance as outlined by the United Nations Development Program (UNDP), which indirectly binds itself to partner with other countries, both regionally and globally in the era of economic liberalization encourages open social contract that gives keleluasaan local

governments to continually build networking with several global institutions are kompetentif compete with other regions in Indonesia. This is similar as proposed by Kotler (2009), that in a competition to win a nation must evolve in approaching a problem and in conducting relations with various parties.

Thus the phenomenon underlying the liberalization of regional governance in the era of globalization is a logical consequence to internationalize the role of local government in a democratic and effective in the delivery of good governance (good governance) with a marked strengthening community control over governance with more emphasis on the aspect of performance and quality of service public / community development as a subject in the management of economic resources and activities of the business that contributes to the sustainability of local development activities either related to human resource empowerment and sustainable use of natural resources, which is based on local knowledge (local wisdom) and an increase in income (PAD).

Democratic governance in a global context implies governance in the region shifted from the role set to serve as role commitment towards changing attitudes and behavior of government officials on management concepts on the principle of democratization of contemporary governance, accountability, openness, transparency, rule of law, professional and proportionate to make national and international community as a business partner in local government.

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