



## The regional competitiveness: perspective on national resilience

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### Article Info

### ABSTRACT

#### Article history:

Received 25-08-2022

Revised 15-09-2022

Accepted 25-09-2022

A law of regional competitiveness has become important for a country. This issue is one of the eight important elements in national defense. This qualitative research applies focus group discussion and employ 21 participants to gather data. The result shows that the law that regulates the competitiveness is important to increase the life quality of the people.

#### Keyword:

Law; regional; competitiveness; national resilience



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## INTRODUCTION

The issue of low regional competitiveness in many developing countries has been discussed by many researchers across the world. Holis, et al (2018) state that establishing concept of regional competitiveness is very important at national level. In line with this, Schwab (2018) says that Competitiveness is crucial for every country across the globe in which this could help the people of a country to have better living standard. Other researchers, Andriana et al (2019) mention that In West Sumatera Province, the municipality city is considered as the most high competitiveness index compared to regency city. This is due to the domination of input factors than output factors.

In other words, the people here pay more attention on the input rather than the output factors. The issue of competitiveness is one of the eight elements in national defense which is economic. A number of economists in the world have high attention in this sector including the European Economic Community and World bank (Hanita, 2020). In the economic elements, it covers the issue of welfare, justice, security, independent, and competitiveness (Daihani, 2020). This research discusses about the competitiveness issue. Considering its importance, therefore, this issue attracts Indonesian authorities' attention due to its negative impacts toward the life of the Indonesian. In the 2018-2019, Committee I of DPD RI has agreed to draft a bill on regional competitiveness. The formulation of the Bill on Regional Competitiveness was motivated by global competition, which demands that regions establish the right strategy to improve the welfare of their people (Zeibote, et al. 2019; Garelli, 2012). Regions are expected to seek and recognize potentials that will be developed and have an impact on improving the welfare of the community. It is the fact that low regional competitive may cause high poverty, income inequality, less competitive human resources, and slow acceleration of economic growth. If this condition keep continuing, it will certainly have an impact on national competitiveness which will interfere with Indonesia's ability to compete with other people in the world.

This research aims at establishing a law of regional competitiveness. This law is important because by having law, it will help realizing community welfare by optimizing the use of human resources and natural resources. In fact, at this point, this law is not well designed yet. Therefore, this research will work on this field because it is believed that this law will improve regional development performance through integrated, comprehensive and sustainable development strategies and programs, especially for regions whose potential utilization is still low

The role of the head of regions in increasing competitiveness depends very much on the ability of the regions to identify the factors that form and determine regional competitiveness. With the ability of the regions to be careful in identifying the determinants of competitiveness, the regions can formulate a strategy to determine what policies should be taken so that their competitiveness can continue to increase so that they are able to sustain Indonesia's progress and position of competitiveness in the regional and global arena.

## **RESEARCH METHODS**

This research is qualitative research. It aims at establishing a law of regional competitiveness in Indonesia. This method is selected to dig deeply about the research problem from different angles. So that the result could reach a rich and meaningful picture of a complete situation (Leedy & Ormrod, 2005). This research employs 21 participants to gather the data. This research has been carried out since March – September 2019 in several provinces in Indonesia, these are East Java, South Sulawesi, South Sumatera, Bali, Riau Island, and North Sumatera. The data are gathered through Focus Group Discussion (FGD), in depth interview and documentation and they are analyzed qualitatively as suggested by Cresswell (2009).

## **RESULTS AND DISCUSSION**

This research limits its discussion to two important substances contained in the draft law on competitiveness. The first is about developing regional innovation and the second is about improving the quality of human resources to increase regional competitiveness.

### **Regional Innovation**

Regional innovation is expected to be applied in governance, public services, economic activities, and other aspects directed towards the development of Regional Competitiveness. Regional innovation is used as an integral part of the strategy for change and enhancement of regional competitiveness by strengthening 8 (eight) elements, namely: a) Improving the Quality of Human Resources; b) Management of Natural Resources and the Environment; c) Strengthening Social Capital; d) Fiscal Management; e) Provision of Infrastructure; f) Technology Utilization and Development; g) Institutional Strengthening; and h) Strengthening Regulation.

Regional innovation is a combination of a number of criteria, namely: 1) it contains continuous renewal of all or part of the elements of the innovation; 2) have a conformity with plans and outputs with the needs of public services and provide added value to the Region; 3) provide better social, environmental and economic impacts on the community; and 4) does not result in additional burdens and / or restrictions on the community.

The application of regional innovations is aimed at increasing Regional Competitiveness in order to accelerate the realization of community welfare. The application of this regional innovation is carried out in a participatory manner and encourages community empowerment. The application of regional innovation is carried out through the planning, implementation, and evaluation monitoring stages.

Local governments are obliged to facilitate the implementation and development of innovations in the regions. Meanwhile, the Central Government facilitates the development of innovation and special guidance to regions with low competitiveness. Apart from this, the Government is always expected to encourage the growth of regional creativity to develop initiatives and implement innovations through guaranteed legal protection. Local governments that have carried out

the stages of innovation as mentioned above, but in their implementation fail or are not liable to be subject to criminal sanctions, unless the implementation of the innovation stage results in public losses (material or immaterial losses).

### **The increasing of Human Resources quality**

Improving the quality of Human Resources (HR) includes the following aspects: a) character building; b) education; and c) training. In character building, the Government and local governments must improve the quality of human resources through character building by designing programs and providing a budget specifically aimed at that, especially in regions that have regional competitiveness ratings below the national average. This character formation is carried out through the formation of character, character, morals or character which is carried out in stages starting from the family, educational unit, and community environment. Character building through educational units is carried out by education service groups that provide education in formal, non-formal, and informal channels at every level and type of education. Character building should be carried out in stages through the process of introduction, understanding, application, habituation, and internalization into character.

In order to improve the quality of human resources, the Government and Local Governments (especially in regions that have a Human Development Index rating below the national average) there are efforts that need to be made, namely:

1. improving the quality of education in the regions through increasing teacher competence, improving service quality, providing infrastructure, and expanding access.
2. increase the ability of SMA / SMK graduates to enter a study program that is accredited superior (A) through mentoring.
3. guarantee the opportunity to continue education for the underprivileged (poor families) to the tertiary level, especially for those who are successfully accepted into a study program that is accredited as superior (A) by providing scholarships.

Apart from formal education, the Government and Local Governments can improve the quality of the workforce in regions that have the Human Development Index ranking below the national average by:

1. carry out job training to equip, improve, and develop job competencies in order to increase capability and productivity by taking into account the needs of the job market and the business world.
2. obliging the business world in the regions to be responsible for enhancing and / or developing the competence of their workers through job training by providing equal opportunities for workers to take part in job training according to their talents, interests and abilities.
3. sending local manpower to attend job training to improve and / or develop work competencies according to their talents, interests and abilities, both held in the region and outside the region.
4. provide job competency recognition for workers who have attended job training through job competency certification.

### **CONCLUSION**

Establishing a law of regional competitiveness is a must for Indonesia. This law is very beneficial for the welfare of the people in this country. This law at least could improve the life quality of the people in the country by developing regional innovation and improving the quality of human resources to be able to take part in the regional competitiveness.

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